

UAE urges OPEC not to raise output

NICOSIA (R) — The United Arab Emirates Monday urged fellow OPEC members not to raise oil production to meet a shortage in supplies caused by Iraq's take-over of Kuwait, the Emirates News Agency WAM reported. The United Arab Emirates asked members in the Organisation of Petroleum Exporting Countries to effectively adhere to their output quotas agreed upon in Geneva on July 28 and not to violate these quotas in the light of the current circumstances in the Gulf region, WAM said. The UAE and Saudi Arabia are among key producers with spare capacity as traders scramble for oil. World oil prices soared to their highest level in more than four years after Iraq, feeling the pinch of a U.S.-led embargo cut its exports by half and Kuwait's production halted. The agency said UAE Oil Minister Mansour bin Zayed wrote to OPEC President Abdelaziz Boukchouf of Algeria to urge the call to the 13 member-states. He also sent a similar letter to OPEC Secretary-General Subroto of Indonesia. Omeira's call came shortly after Iraq, a price "hawk" urged other OPEC producers not to take advantage of Iraq's invasion of Kuwait to pump more oil for quick profit.

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King, UAE leader exchange views

AMMAN (Petra) — His Majesty King Hussein had a telephone conversation Monday with the president of the United Arab Emirates (UAE), Sheikh Zayed bin Sultan Al Nahayan, on the latest developments in the Gulf region. The UAE president thanked the King for his efforts to end the Iraq-Kuwait dispute and enquired about the latest developments. He also discussed efforts being made in order to find an Arab solution to the crisis that which can prevent foreign intervention in the Gulf region.

Yemen leader in hospital

SANAA (R) — Yemeni President Ali Abdullah Saleh, who has been struggling between Arab capitals to try to resolve the Iraq-Kuwait crisis, entered hospital Monday. Radio Sanaa said Saleh went to the hospital for a medical check-up and diplomats said he was apparently suffering from exhaustion. Saleh has visited Iraq. He later flew to Saudi Arabia and Egypt which are also mediating to resolve the crisis. The radio said the Yemeni leader had talks on the Gulf crisis earlier Monday with an envoy of Iraqi President Saddam Hussein, National Assembly Speaker Saadi Mehdi Saleh.

Homeless Israelis ask U.S. for refugee status

TEL AVIV (R) — Angry Israelis made homeless by a flood of Soviet immigration protested Monday at the U.S. consulate in Arah Jerusalem demanding that the United States accept them as refugees. "The housing ministry and the Israeli government are not able to absorb people like me," a woman demonstrator said in a radio broadcast. Rising housing costs in response to the immigration wave have forced hundreds of native Israelis out of their apartments in the last few months. About 20 homeless joined the protest demanding refugee status as immigrants to the United States.

Bashir opens talks on Sudan's future

KHARTOUM (AP) — Sudan's military ruler Monday inaugurated a 75-day conference which will discuss the future of the country's political system. The conference's 500 participants, nominated by the government, chanted slogans calling for a system of Islamic consultation. Omar Hassan Al Bashir dissolved all political parties in Sudan when he took power in a military coup June 30, 1989. He has blamed them for the country's woes and has vowed never to revive them. Bashir urged the conference to avoid "the shortcomings of the previous political system." The conference is scheduled to end on Oct. 21.

Sheikh Jaber sends envoys to capitals

GENEVA (R) — The emir of Kuwait has sent envoys to various world capitals to reassure Kuwaiti nationals in the wake of the Iraqi take-over and to request their solidarity. The Kuwaiti diplomatic mission in Geneva said Monday. As part of that drive, a representative of Sheikh Jaber Al Ahmad Al Sabah spoke to about 200 Kuwaitis in an emotional meeting at the mission on Sunday, a source at the meeting said.

Sudan denies Chad charges

KHARTOUM (AP) — The Sudanese military government Monday denied Chadian allegations it was assembling an army of mercenaries with Libya and preparing to attack Chad. General Al Tigran Adam Al Tahir, a member of Sudan's ruling military council, described the Chadian government claims, made Wednesday, as "sheer, void allegations." "Tahir's denial followed a similar one made by Libya a day after the Chadian accusations. Chad had accused Libya and Sudan of assembling an army of mercenaries to launch a war against it rather than pursue negotiations.

Iraqis expect U.S. attack

Saddam Hussein warns Bush, says Iraq wants normal relations ● S. Arabia denies troop build-up on border ● Cheney in Jeddah

BAGHDAD (Agencies) — Iraq prepared to evacuate the capital and distributed weapons Monday in anticipation of an American attack, while warning that international sanctions against Iraq could delay Baghdad's troop pull-out from Kuwait.

In Saudi Arabia, U.S. Secretary of Defense Richard Cheney arrived in Jeddah Monday for talks with his counterpart Prince Sultan and other senior Saudi government figures. Cheney was accompanied by Lieutenant-General H. Norman Schwarzkopf, head of the U.S. Middle East force known as the

Central Command. Richard Gates, deputy national security advisor, and Paul Wolfowitz, deputy defense secretary, were also with him.

Gulf-based diplomats said soldiers from the American rapid deployment force, formed to react to crises in the Middle East, had been dispatched to the area.

The Iraqi News Agency (INA) reported that President Saddam Hussein met with U.S. Charge d'Affaires April Gaspie to deliver a warning to President Bush. INA said he "warned against any act that might endanger the region's peace and security."

It was the first statement from the Iraqi president since the invasion last Thursday. Most communication links with the country have been severed.

The president said that Iraq wanted to preserve peace in the region but confirmed "Iraq's capability to protect its sovereignty, interests and rights and its high and unlimited readiness to sacrifice for their protection, disregarding the degree of pressure or threats."

He denied that Iraq had any plans to attack Saudi Arabia, noting the non-aggression treaty

between the two, said INA, which said Foreign Minister Tariq Aziz attended the meeting. The president suggested the reports about Iraqi troops massing near Saudi Arabia were "fabrications that would be used as an excuse for intervening in the region's affairs and to justify an attack against Iraq."

"Iraq and Saudi Arabia are tied by a non-aggression and non-interference pact and... Iraq respects its commitments," the agency quoted the president as saying during the meeting.

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Security Council votes Iraq sanctions

UNITED NATIONS (Agencies) — The U.N. Security Council overwhelmingly approved, including a ban on oil purchases.

The 15-member council voted 13-0, with two abstentions by Cuba and Yemen, to adopt the sanctions resolution proposed by the United States. It said Iraq had launched an armed attack against Kuwait and usurped the authority of the legitimate government.

The sanctions were intended to force Iraq to withdraw its troops from Kuwait.

The resolution bans member nations from providing financial or economic resources to Iraq or to any commercial, industrial or public utility in Iraq or Kuwait. An exception was made for payments intended strictly for medical or humanitarian purposes. It called upon all nations to "take appropriate measures to protect assets of the legitimate government of Kuwait and its agencies; and not to recognize any regime set up by the occupying power."

The resolution bans "the import into their territories of all commodities and products originating in Iraq or Kuwait and exported therefrom after the date of this resolution."

U.N. resolutions are legally binding on all U.N. members, although they often are flouted or ignored. The United Nations has

no enforcement mechanism but later could call on members to take military action against Iraq or impose a blockade.

It was the third time in its 45-year existence that the world body had voted sanctions against a member state. The last time was 1967 when the Security Council voted similar, comprehensive sanctions against the white minority government of Rhodesia. An arms embargo against South Africa still is in effect.

The council also formed a special committee to monitor compliance with the measures and called for U.N. Secretary-General Javier Perez de Cuellar to report within 30 days on the implementation of the resolution.

The council acted less than five days after Iraqi troops swept into Kuwait, installed a government backed by a "popular army." Hours after the invasion the council, in a 14-to-zero vote last Thursday, condemned Iraq's action and demanded the immediate, unconditional withdrawal of Iraqi troops.

Yemen declined to take part in last Thursday's vote, saying it had not received instructions.

The sanctions resolution, elements of which have already been implemented by several major powers, flatly rejects Iraq's report

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Bush said planning covert action to topple Iraq leader

WASHINGTON (Agencies) — President George Bush has ordered government agencies to draw up plans for possible covert action to topple Saddam Hussein of Iraq, the Washington Post reported Monday. Senior administration officials appeared to confirm the account.

Bush initiated the effort after receiving a Central Intelligence Agency (CIA) evaluation that President Hussein already was in a position to manipulate world oil prices, the newspaper said, quoting informed sources.

The CIA evaluation is that Saddam, flush with newly seized Kuwaiti oil reserves, will become a powerful, intimidating force inside the Organisation of Petroleum Exporting Countries (OPEC), driving up oil prices, fuelling inflation and possibly throwing the United States into

recession and unmanageable fiscal difficulty," the paper said.

Bush, describing Iraq as a liar, dismissed its announcement Sunday that it had begun withdrawing some of the 100,000 troops that overran Kuwait Thursday.

"This will not stand, this aggression against Kuwait," Bush told a news conference after meeting with his national security advisors Sunday night.

The White House, calling it in the U.S. "national interest to stop Saddam Hussein," said Monday it was moving on diplomatic and military fronts to force the Iraqi president to withdraw Iraqi forces from Kuwait.

Bush is sending Secretary of State James Baker to Turkey Wednesday or Thursday to consult with Turkish President Turgut Ozal about the crisis, White House Press Secretary Marlin

Fitzwater said.

Defense Secretary Dick Cheney and other top U.S. Defense officials opened talks Monday in Jeddah with Saudi officials on "appropriate ways to defend their country."

The White House took the unusual step of saying there were "significant inaccuracies" in a Washington Post newspaper report that Bush had ordered U.S. intelligence agents to launch a covert campaign to destabilize and topple Hussein.

"However, it is true that Iraq's invasion of Kuwait threatens regional and world stability, threatens OPEC and could force severe economic consequences on the United States," Fitzwater said.

"From the moment the first Iraqi soldier entered Kuwait, it has been clearly in the national interest to stop Saddam Hussein," said the White House spokesman.

"This is an overt situation. His

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Iraq cuts oil flow through Turkey

ANKARA (Agencies) — With an international embargo cutting down on customers for its oil, Iraq Monday stopped pumping crude through one of its pipelines in Turkey and reduced the flow in the other.

An official of the state-run Turkish pipeline company Bots said pumping stopped at one of the two pipelines at 5 p.m. (1400 GMT).

Iraq also reduced flow in the second, wider, pipeline to 70 per cent of capacity.

The United States, the European Community (EC), Japan and several other countries had imposed an embargo on Iraqi oil purchases following Iraq's take-over of Kuwait last week.

The Iraqi decision came after tankers waiting to be loaded at the terminal of the pipeline had sailed away without loading in compliance with the embargo, according to pipeline company officials.

A Bots official said all the countries participating in the embargo purchase their Iraqi crude from the Turkish outlet.

The two pipelines pump Iraqi crude from the Kirkuk oilfields in northern Iraq to a terminal at Yumurtalik on the northeastern tip of the Mediterranean Sea.

The pipelines carry 70 million tons of crude oil annually, providing the outlet for the major share of Iraqi exports.

With one pipeline shut down and the other's flow reduced, the annual output of Iraqi crude from the pipelines will be down by half, said one official.

Iraq's daily output is reportedly 2.7 million barrels, of which 1.5 million barrels flows through the Turkish pipelines. Now only about 750,000 tons will be pumped through the Turkish connection, said the oil official, speaking on condition of anonymity.

The Iraqi move came a day after a high-ranking Iraqi official, dispatched by President Saddam Hussein, was in Ankara for a meeting with Turkish President Turgut Ozal.

King: Foreign military action will be fatal

Danger lies in wrong signals, wrong conclusions Arab and American interests a two-way affair

AMMAN (J.T.) — His Majesty King Hussein has issued a strong warning against any military intervention in the Middle East, in the confrontation between the U.S. and Iraq over Kuwait saying that it would destroy the whole area. He also cautioned against "receiving the wrong signals and reaching the wrong conclusions" and underlined that "semblance of peace in the area is a very false one."

In an interview from Amman with CBS Television newscaster Dan Rather, the King said he would never accept the idea of any outside power trying to impose its will on the area. "I certainly would not enjoy continuing in the position that I occupy now," he said. "If it ever be the case I would not be proud of it at all."

The King said he did not believe the Iraq-Kuwait crisis was the result of a bid to "reorder" the area. "I don't believe it is," he said. "We are beyond the point where individuals can

change the world." The King also reaffirmed that Jordan would not recognise the new provisional government which Iraq said had assumed power two days ago. Jordan is "playing a role" to mediate the crisis, he pointed out.

The King said his advice to U.S. President George Bush was "would he give me a chance to try" to resolve the problem with an Arab context. The King said he would also advise Bush against any military action and pressure. "I believe intimidation does not work," he said.

The King said that Iraqi President Saddam Hussein, whom he met in Baghdad Friday, had told him that Iraq did not have any plan to invade Saudi Arabia.

Following are highlights of the interview:

Q: In this situation in this day and this hour, in your opinion, what is the single most important thing for Americans to know about what is happening?

A: That it is one of the most serious

situations that this area has faced for long period of time, that we need to be calm about it, that it had a background, a historical background, and that it did not come out of the blue. It was even the subject of discussion during the latest Arab summit held in Baghdad.

All hopes were pinned on the negotiating process between the two states of Iraq and Kuwait. But unfortunately it seems the wrong signals were received by our brothers in Kuwait. This suggested that Iraq was bluffing; Iraq was not bluffing and was very clear that it wanted a resolution of the problems, both the water dispute and the question of possible access to the Gulf waters and at the same time the question of oil pricing that had affected not only Iraq and Iran but many in this area of the world.

Now what we need to do is be very calm about it and to ensure that we realise intimidation will not work and (is counter-productive) and the danger is of the whole area bout it if there is any action from outside.

Q: What about those who say the whole area has already erupted?

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Badran, Zoubi open talks

DAMASCUS (Agencies) — The Joint Jordanian-Syrian Higher Committee co-chaired by the prime ministers of the two countries opened a meeting here Monday to discuss continued cooperation in various fields.

According to the Jordan News Agency, Petra, the committee's discussions were to cover industry, trade, irrigation, transport, telecommunications, agriculture, electricity, tourism, public works and housing, mineral resources, culture and free zones.

The joint committee is also expected to discuss removing restrictions to ease trade, and the question of linking Jordan's national grid with those of Syria, Iraq, Egypt and Turkey, Petra said.

The two-day meeting will also discuss progress in joint ventures undertaken by the two countries, the agency added.

A senior Jordanian official said last week that the two countries have no major outstanding issues, except for some Syrian dues to

Jordan, mostly to Royal Jordanian (RJ) and the Jordan Electricity Authority (JEA) and some unsettled trade bills.

RJ's dues are mostly in the form of remittances of revenues from its operations in Syria, while JEA is owed by the Syrians for power purchased from the authority and supplied to the southern regions of Syria.

Minister of Industry and Trade Ziyad Fariz, member of the Jordanian delegation, said subcommittees had prepared the higher committee's agenda.

Prime Minister Mudar Badran, who is co-chairing the meetings with his Syrian counterpart Mahmoud Al Zonbi, said in a statement upon arrival here that he was carrying greetings to President Hafez Al Assad from His Majesty King Hussein.

"The higher committee's meetings can be considered as part of the two countries' ongoing endeavours to pursue the goal of integration," he said.

Badran, who is making his

second visit to Damascus since taking over as prime minister last December, is accompanied by Deputy Prime Minister and Foreign Minister Marwan Al Qasem, and the ministers of industry and trade, tourism, water and irrigation, transport and telecommunications, energy and mineral resources and agriculture.

According to Jordanian officials, the two sides will also discuss the fate of the Syrian Jordanian Bank, a joint venture which is now believed slated to be merged with the Jordan Gulf Bank.

The bank, established in 1980, is owned equally by Jordan and Syria and caters mostly to Jordanian-Syrian joint ventures like the Jordanian Syrian Land Transport Company and the Syrian Jordanian Industry Company.

The current situation in the Middle East and the latest developments in the Gulf, are also bound to come up at the talks, officials said.

Mubarak was not in favour of mini summit unless success assured — Cairo

CAIRO (Petra) — An Egyptian official source Monday commented on a statement by Jordanian Prime Minister Mudar Badran that there was an agreement with President Hosni Mubarak not to adopt a decision by the Arab League Council condemning the Iraqi invasion of Kuwait in order to give His Majesty King Hussein's efforts the chance to succeed on his visit to Baghdad on Friday.

The source, in answer to a

question by the Egyptian Middle East News Agency, said: "The Egyptian delegation (to the council) had exerted, along with other Arab delegates, an enormous effort to convince the council of postponing the resolution so that His Majesty's trip to Baghdad could pay off."

"The council, however, did not adopt the resolution until evening of the second day and until after the deadline set for the King's mission had expired. This took

place after the arrival of Saadoun Hammadi at the head of Iraq's delegation to the council meeting.

"In addition, Egypt has no right to impose any resolution on the league's council nor to scuttle such resolution."

"As far as the proposed mini-summit in Jeddah was concerned, President Mubarak had rejected the idea of such a summit unless it was assured of its success."

Ishaq Khan sacks Bhutto government, calls elections

ISLAMABAD (Agencies) — The president Monday dissolved Prime Minister Benazir Bhutto's 20-month-old government, and the army took over the national television station and telephone exchanges.

The central committee of her Pakistan People's Party (PPP) would meet soon to decide whether to challenge the order in court of law.

In dissolving the National Assembly, the law-making lower house of parliament, Ishaq Khan said Bhutto's government was corrupt and politically inept. As head of state, Ishaq Khan has the constitutional power to dissolve the government.

At a hastily called news conference, Ishaq Khan said: "The government has willfully undermined and impaired the work of the constitution, resulting in discord, confrontation and deadlock, adversely affecting the integrity, solidarity and well-being of Pakistan."

"Corruption and nepotism in the federal government has reached such proportions that the orderly functioning of the government no longer carries public faith and credibility," he said. "Despite being subjected to

wide public condemnation the government has failed to take appropriate action."

Ishaq Khan set new elections for Oct. 24 and appointed opposition leader Mustafa Jatoi as Pakistan's interim prime minister.

Jatoi was sworn in Monday as his interim government includes two opposition members and two members of Bhutto's party.

The president has the constitutional authority to dissolve the National Assembly if he believes the government can no longer carry out its constitutional duties.

Members of Bhutto's cabinet promised to fight the dissolution in court.

"This is total high-handedness, unconstitutional and illegal," said Tariq Rahim, minister for parliamentary affairs. "It is a conspiracy against all democratically elected people. We will challenge it in court."

Rumours have been circulating for weeks around Pakistan's capital that Ishaq Khan planned to dissolve the

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Shreideh announces women's federation executive committee

AMMAN (J.T.) — Minister of Social Development Abdul Majid Shreideh Monday announced the members of the executive committee of the General Federation of Jordanian Women (GFJW) as elected at last Friday's meeting in Amman.

The committee is chaired by Mahdieh Zameil and includes the following members: Iman Abdul Qader Arabiyat, Basma Helou, Sakaa Abdul Aziz Al Majali, Fideh Badran, Abeer Al Akhras, Mariam Shamsieh, Haifaa Kamal and Hafimeh Al 'Ami.

ter said, were elected unopposed as a result of boycott by activists.

He also announced the names of eight other women who, he said, would also serve as additional members of the executive committee because they are heads of GFJW's branches around the country. These are: Amal Amoush from Mafrag, Amal Wahdan from Zarqa, Rihab Al Majali from Karak, Samirah Hemoud from Irbid, Sulafa Abdul Oader from Balqa, Munira Tourqan from Maan, Najwa Rabab'a from Tafleh and Hiyam Al Taber from Amman.

The election of the nine members was unopposed, according to the minister who expressed his appreciation to the previous temporary executive committee for its efforts to prepare for the elections.

He said that the additional eight executive committee members are appointed in accordance with article 19 of the federation's charter.

Last Friday's GFJW's executive committee elections were conducted amid an atmosphere of total chaos, as 150 women members demonstrated inside the

election hall to express their opposition of the elections and to call for a new date to be set.

The row revolved around demands by nationalist women members as well as left leaning members and independent activists for equal representation of the 9,000 federation members and around claims that the elections were illegal.

A total of 60 Islamist delegates participated in the election while all but three of the rest of the remaining 40 delegates stayed away. Women representing different parties united in opposing the elections and altercations followed as police had to be called in to restore order.

Those boycotting the elections said that they were illegal and unrepresentative. They also protested the elimination of 85 individual delegates from the Irbid Governorate.

Queen meets Indonesian minister

AMMAN (J.T.) — Her Majesty Queen Noor Monday received at Al Ma'wa Palace the Indonesian Minister of State for Women's Affairs Sulastika Murpato and her accompanying delegation. Present at the meeting were the Indonesian ambassador to Jordan, Mr. Sumaryo and his wife, and Director General of Noor Al Hussein Foundation, Mrs. In'am Al Mufti.

The visiting Indonesian minister was also received by Minister of Labour Qassem Obeidat who discussed with her Jordanian-Indonesian cooperation in matters related to women.

The two sides also reviewed prospects for cooperation in labour-related fields and socio-economic development.

Jordanian activists call for boycott of American products

By Mariam M. Shahin
Jordan Times Staff Reporter

AMMAN — Leaders of Jordanian unions and professional associations have joined the rising tide of anti-American sentiment by issuing a call for public support for a boycott of all American products and dealings with agents of U.S.-made products.

In an atmosphere filled with anger over what participants saw as a U.S.-led campaign of condemnation of Iraq over its take-over of Kuwait, a bulletin prepared by the Public Freedoms Committee of the professional association, made available to the press said: "We protest the steps taken by the U.S. Administration against the Palestinian and Arab people."

The bulletin said that the call to boycott American products came in response to proposals made by the Jordanian Writers Association and in accordance with popular demand. The bulletin suggested the adoption of the following resolutions: a call on all unions and professional associations to boycott all U.S.-made materials, supplies and products; a call to boycott all agents of American products in Jordan and abroad; a call on all unions and professional associations in the Arab World to follow suit; a call on the Jordanian media to begin a campaign to support the boycott.

A congregation of 150 people sat at a round table chaired by Khaled Ramadan, head of the Public Freedoms Committee, Labour unionists, heads of professional associations and five members of the Lower House of Parliament attended the meeting and suggested

practical steps that could be taken to carry out an effective boycott.

While all participants called for a boycott of all consumer goods "made in the U.S. or any of its corporate abroad," some went as far as to call for a halt of imports of any military supplies or military expertise.

"The poisonous fangs of America should be removed from our area. Those who have drawn alliances militarily, commercially or otherwise, with the ally of Israel have forsaken the whole Arab Nation," said Issa Mdanat, a Democratic Bloc member in Parliament.

Ziad Abu Ghanimeh, the official spokesman for the Muslim Brotherhood said that all those collaborating with the U.S. in "this country and the region" should be shown the door. He also called on the Jordanian people to form a "people's army" in preparation of what were "obviously designs to expel more Palestinians from Palestine and further encroachment of Israel on Jordan."

While most speakers spoke about what could be done on a popular level, several participants pointed out that government and regional organisations should also participate.

"Let's face it: Jordan alone carries very little weight. If labour unions and professional organisations throughout the Arab World take a common stand, a boycott will be much more effective," said Amman Deputy Taher Al Masri.

Al Masri said that in 1956, during the famous "Suez crisis", Arab organisations and unions had taken a joint stand and had thus been more effective.

Suggestions varied from boycotting all U.S. airliners to stopping the importation of cigarettes such as Marlboro and Kent. Some participants suggested holding a hunger strike in front of the U.S. Embassy to protest their support for Israel and its "unfriendly stand towards the Arab people."

Still other participants called on the Jordanian and other governments to initiate boycotts of American-made products.

Double standards Many participants stressed that the U.S. government had adopted double standards in the area of human rights for too long.

"When Israel invaded Lebanon we heard no calls for economic and political sanctions from the great protector of human rights, territorial sovereignty and regional security, i.e. from the U.S. and Western Europe," said Azmi Khawaja, who is representative of the Popular Front for the Liberation of Palestine.

The only communist deputy in Parliament, Issa Mdanat, asked: "Could I be wrong or was the U.S. really breaking international law in Granada and Panama a while back? Maybe some human rights are more precious than others."

The three-hour meeting ended when a seven-member committee was chosen by participants to organise the boycott.

An observer noted that it was "the first meeting in Amman, that I have seen, where representatives of all different political trends had no difference of opinion — for once America united us," he said.

JEPSCO, workers' union dispute remains unresolved

By Ghadeer Taher
Jordan Times Staff Reporter

AMMAN — The Jordan Electric Power Company (JEPSCO) and the Electricity Workers' Union failed to resolve their three-month old dispute in their second joint meeting Monday.

"We accepted the government formula but the company did not," Walid Khayyat, head of the electricity union, said Monday. The Ministry of Labour last week tabled a formula which involved a compromise on salary increases sought by almost 2,000 employees and an endorsement of demands for administrative reforms and other workers' rights.

The union president said the company refused to increase salaries according to the government formula and was only willing to give a JD 5 cost of living allowance increase across the board. The company is not willing to adopt the government and union position on salaries because an increase in the basic salary would result in higher compound wages.

The government formula

proposes increases of JD 8 for each employee falling under grades 15 to eight (against JD 12 sought by the union), JD 5 for grades seven to five (against JD 8 demanded by the union) and JD 3 for grades four to one.

The ministry supported a union demand for a straight JD 20 increase for unclassified employees, who now make about JD 54 every month. Minister of Labour Qassem Obeidat estimated that the proposed increase would cost the company approximately JD 30,000 annually.

According to Khayyat, the minister, who chaired the joint meeting Monday, gave the company and the union three days to reassess their positions before holding another meeting Thursday.

Obeidat said last week that the compromise formula was the ministry's "final position" on the dispute. "If (the compromise formula) is rejected then the issue will go to the council of arbitration and then

to an industrial court if arbitration failed," the minister said. The union, however, has threatened to strike Aug. 15 if their demands are not met. "We will cooperate fully to try to reach an agreement," Khayyat said. "But if we do not agree we will stop work as of Aug. 15." According to a Ministry of Labour official once the dispute goes to arbitration the strike will be considered illegal.

The compromise formula proposed by the ministry also provides for setting up a panel of three legal experts — representing the Ministry of Labour, JEPSCO and the union — to draw up a legal framework for the company's personnel and salary structure to be submitted to the board of JEPSCO.

Khayyat said that workers' wages were low and that 1,640 employees get a basic salary of less than JD 150. "Of the 1,640 (workers), 1,006 get a basic salary of less than JD 100. Company officials were not available for comment.

Training course tackles pollution, its health impact

AMMAN (J.T.) — The 14 participants in a regional training course on air pollution representing six countries in the Near East region Monday visited the Civil Defence Department (CDD) and were briefed by senior officers on services offered to the public.

They also visited the Royal Scientific Society (RSS) where they inspected the environmental and air pollution laboratories and the downtown air pollution monitoring station.

Earlier the participants discussed the subject of air pollution control and environmental impact of air pollution and its assessment and air pollution and human health.

The discussions and the tours came on the third day of a six-day meeting which was organised at the Amman-based Centre for Environmental Health Activities (CEHA) by the World Health Organisation (WHO) in cooperation with the Health Ministry.

The RSS's station in Amman last March released the result of a three-year programme on moni-

Central bank considers new image for Jordan Gulf Bank

AMMAN (J.T.) — The Central Bank of Jordan (CBJ) has set up an independent committee to take charge of the management of the Jordan Gulf Bank and to supervise its performance prior to restructuring the bank's capital in order to allow it to function normally, CBJ Governor Mohammad Saeed Nabulsi announced Monday.

In a statement to the Jordan News Agency, Petra, Nabulsi said that the committee was supervising the Jordan Gulf Bank's operations, and assuming the authorities of a board of directors in accordance with the Jordanian companies' law.

The Jordan Gulf Bank, he added, is conducting all forms of normal banking services through its various branches and the CBJ will continue to support this bank to enable it to maintain these services.

Last month Nabulsi said that

the Jordan Gulf Bank had a deficit of JD 27 million but the nature of its problem was different from that of Petra Bank which was liquidated because of mismanagement and delay in taking proper action when needed. "Petra Bank collapsed as a direct result of criminal actions and illegal proceedings combined with poor management," he said.

"It will be possible to deal with the Jordan Gulf Bank by restructuring its capital and by applying what is called reflowing of the bank after proper measures had been taken to prepare for this step," Nabulsi noted.

In his statement to Petra, Monday, Nabulsi referred to Bank Al Mashrek which he described as one of the good banks in Jordan. It had losses not because of management but due to blunders committed by the bank's headquarters in Beirut. "As a result,

the authorities given to the Amman branch have been cancelled and Al Mashrek Bank of Amman has come under CBJ's direct control and supervision," Nabulsi pointed out.

He said that measures were being taken to transform Al Mashrek Bank of Amman into a Jordanian bank and the process entails restructuring of the bank's capital and offering shares to the public.

Nabulsi said that Al Mashrek Bank is given due attention by the CBJ which is keen on ensuring the bank's continued operations with full confidence and with reassurances to all the bank's customers and depositors.

Last month Nabulsi said that Al Mashrek Bank of Lebanon had been encountering difficulties and its case was being handled by the Central Bank of Lebanon; other bank branches in the Arab World are being liquidated.

HOME NEWS IN BRIEF

Karak receives Alumni Club officials

AMMAN (Petra) — Minister of Culture Khaled Al Karaki received in his office Monday the chairman and members of the administrative committee of the University of Jordan Alumni Club. President of the club Abdul Hameed Al Kabarti reviewed plans to activate the cultural and artistic role of the club and expressed the club's willingness to cooperate and coordinate with the ministry. Karaki expressed the ministry's willingness to present support to the club and to hold joint activities with it.

Panel on drought review progress

KARAK (Petra) — A committee entrusted with tackling the effects of drought in the 'Ai sub-district reviewed in a meeting Monday the achievements of its workshops during the past month and the projects being implemented by the committee. The sub-district governor Fawwaz Irshaidat, chairman of the committee, said that 15 kilometres of canals and about 15 kilometres of roads were being maintained. He said teams were doing maintenance work to water springs in 'Ai, Kathraba, Al Iraq and Jozza villages.

JEA opens exhibition of computer equipment

AMMAN (Petra) — An exhibition of computer equipment was opened at the Jordan Electricity Authority (JEA) by a local company dealing with computers. JEA Director Mohammad Saeed Arafat opened the two-day exhibition which displays equipment used in administrative and financial fields.

Fodder department created

AMMAN (Petra) — A fodder department has recently been created at the Supply Ministry to be in charge of the distribution of fodder to the various governorates. The creation of this department has been triggered by a government decision that entrusted the Ministry of Supply with distributing fodder to livestock breeders.

Swissair to fly to Philadelphia

AMMAN (J.T.) — Swissair will begin scheduled services to and from Philadelphia in the U.S. on Monday Aug. 6. The service is to be provided by extending the current Zurich-Boston-Zurich flights. Swissair is the first international airline to offer a direct connection between Switzerland and Philadelphia. With its 5.8 million inhabitants, Philadelphia is the second biggest city on the eastern seaboard of the United States. Several large American firms are based in the city, making it one of the most important business centres in the country.

WHAT'S GOING ON

The following listings are compiled from monthly bulletins and the daily Arabic press. Readers are advised to verify the listed time and place with the concerned institutions.

EXHIBITIONS

- Plastic art exhibition by Rodaina and Raha Haddad at the Housing Bank Complex hall.
- Open studio and workshop for artist Samia Zaru displaying paintings, sculptures and hand-painted fabrics. Location: off 2nd Circle, opposite Rosenthal (9:30-1:30 and 3:30-6:30).
- Art exhibition by Ali Al Ghoul at the Royal Cultural Centre.
- Exhibition of paintings by 10 Iraqi artists at the Jordan Plastic Art Association Gallery.

Iraqis expect U.S. attack

(Continued from page 1)

The president "explained... Iraq's position towards recent events and developments and warned against any behaviour that destabilises the region... and brings its security into danger," INA said.

The agency said the president stressed Iraq's "keenness to maintain stability in the Middle East."

"Iraq was capable of defending its sovereignty, interests and rights and expressed its readiness for sacrifice... whatever the pressure or threats," INA quoted him as saying, adding that Iraq was keen "to establish natural relations with the United States, based on mutual respect."

Saudi Arabia Monday denied it was sending troop reinforcements to the border with Iraq and Kuwait, the SPA Press Agency (SPA) reported.

A Saudi official was commenting to SPA on Western media reports that the kingdom has declared general mobilisation and moved tank-backed troops to the northern frontier because of fears of an Iraqi invasion.

"All these reports are categorically untrue and if the kingdom has taken any such measure it would have announced it," the official said.

Gulf oil sources said earlier Monday they had seen Saudi troops moving to the border close to the Gulf oil port of Khafji.

They said the deployment to the so-called neutral zone shared with Iraq occurred during the past 48 hours.

Diplomats who had visited the border area near Saudi Arabia reported that the Iraqi armed forces had dug up the highway that runs into Saudi Arabia, severing an escape route used by thousands immediately after the invasion.

The Iraq-backed government in Kuwait announced Sunday that it should not be expected to act with honour towards those countries working against it, pointedly reminding them that they had citizens and interests in Kuwait. No countries were mentioned by name.

The government Monday called for workers to go back to their jobs in bakeries, hospitals, pharmacies, fuel and electrical stations, telegraph and communications and municipality services.

Iraqi troops controlled ports, government buildings and key installations. There were no reports of further troops withdrawals following the initial pullback Iraq announced Sunday.

Their withdrawal may well be disrupted by any threats that may arise to both Kuwait and Iraq," Abdul Razzak Al Hashimi, the Iraqi ambassador in France, told reporters.

"We want against any attempt by any power at aggression against Kuwait or Iraq. Such attempts will be firmly dealt with," Al Hashimi said in a nine-point statement in English.

The envoy, who read out the statement, refused to answer any questions.

He repeated denials that Iraq had

any belligerent intent towards Saudi Arabia but added that there was no prospect that the overthrow Kuwait regime could be restored.

The old regime of the Sabah family is finished and Kuwait has a new government now," the statement said.

Hashimi, considered Iraq's senior envoy in Europe, said in the statement that Iraq viewed with "deep regret and surprise" sanctions imposed by France and its European Community allies.

"This position can only harm France's huge interests in Iraq, not only at present but — more significantly — in the future," he said.

France was Iraq's major Western arms supplier during the 1980-88 Gulf war with Iran.

French Foreign Minister Roland Dumas said at the start of the crisis last week that Iraq owed France 24 billion francs (\$4.5 billion), 14 billion (\$2.6 billion) of which were for military supplies.

France, in company with its Western allies, has cut off arms supplies to Iraq, banned petroleum imports from Iraq and Kuwait and froze the assets of both countries.

Gulf diplomats said Iraqi troops were believed rounding up foreigners in Kuwait, and might be holding them hostage in case of any military attack against Iraq. It was not known how many foreigners were included.

European nations said the action was apparently directed at foreign visitors staying in hotels and not permanent residents.

The British Foreign Office said Britons and Americans staying at a transit hotel at Kuwait airport and the SAS hotel in Kuwait city were being moved to Iraq.

A Foreign Office spokesman said the government believes 366 people had been assembled, mostly passengers from the British Airways flight stranded in Kuwait since the invasion.

"We are trying to establish the precise details now," the spokesman said. "There is no evidence that they are in any way in trouble."

The Foreign Office said it was still negotiating with Iraq for the release of 35 British military advisors taken to Iraq over the weekend.

The West German Foreign Ministry demanded that West Germans in the group be allowed to return home. Refineries and other oil facilities were operational at least 50 per cent of capacity, but appeared to be producing only for domestic purposes, Gulf diplomats said.

Kuwait's oil export facilities are shut down and will remain so for some time, the Middle East Economic Survey said in Nicosia.

The assessment was among the first to spell out the existence of a total shutdown to Kuwait oil supplies, not just now but for some time to come.

World financial markets were again chaotic Monday due to events in the Gulf.

Oil prices jumped over \$3 a barrel Monday on the weekend news of the embargo. Stock prices plummeted in Tokyo, London and New York on fears that higher oil prices would spur inflation and bring higher interest rates.

The dollar was lower on concerns about the effect of high oil prices on

the U.S. economy. Gold edged higher.

Iraq put its armed forces on full alert as the government said it expected an American military intervention.

Saudi Mehdi Saleh, commander of the popular Army in Iraq, told the local Baghdad newspaper Al Iraq that tens of thousands of volunteers have joined the Iraqi Popular Army to defend what he called "Iraq and the revolution in Kuwait."

Saleh said Americans should "understand that the people of the great leader Saddam Hussein cannot be frightened."

The newspaper's warning came amid widespread speculation in Iraq that the United States would launch a full-scale military operation against Iraq.

Local members of the ruling Baath Party said they have been instructed by government and party officials to be prepared to leave their homes and neighbourhoods immediately when given a warning broadcast over state radio and television.

The party members had prepared under way to evacuate the entire four million population of Baghdad to camps outside the city in the event of attack.

They were being told that the U.S. air force might attack the city or that Israel might attack with chemical or nuclear weapons.

The party members also said the party had distributed guns, mainly Kalashnikov automatic rifles, to tens of thousands of its members and also to some of the party's millions of supporters and sympathisers around the country.

In the bleak rocky desert to the west of the Saudi-Kuwait crossing point, hundreds of Kuwaitis, their children and a few belongings crammed into four-wheel drive vehicles, streamed through the searing heat into Saudi Arabia.

The Kuwaiti "convoys" used desert tracks well away from the Iraqi-occupied border post.

Residents in the kingdom said the Saudis had set up a major refugee centre at the Gulf oil port of Khafji, just south of the frontier, to receive the Kuwaitis — among the world's wealthiest people. Hundreds of Kuwaiti refugees had also streamed into Dhahran further south.

Kuwait's ambassador to Britain said Sunday 700 Kuwaitis, including seven members of the ruling family, had been killed since Iraqi troops entered his country.

Ambassador Ghazi Al Rayes said 60 were "executed" by Iraqi troops "either because they refused to hand over their belongings or because they were in places where the Iraqis attacked."

He was speaking to reporters shortly after four members of the deposed Kuwaiti ruling family arrived in Britain from Saudi Arabia.

Rayes said the newly-arrived Kuwaitis had brought news of continued resistance to the Iraqi forces.

Four male relatives of the emir of Kuwait, Sheikh Jaber Al Ahmad Al Sabah, accompanied by 13 Kuwaiti officials arrived in London from Saudi Arabia aboard a special Kuwaiti Boeing 767.

'Bush planning covert action'

(Continued from page 1)

tanks are real and moving. Our response is real and moving on all fronts," diplomatic, economic, political and military," he said.

Bush also was stepping up contacts with the Western allies.

Fitzwater announced that Bush was to meet over dinner Monday at the White House with Canadian Prime Minister Brian Mulroney, following earlier meetings with British Prime Minister Margaret Thatcher and NATO Secretary-General Manfred Woerner.

Chezy was also seeking Saudi permission to base U.S. troops and air power inside Saudi Arabia to help repel any invasion and facilitate sorties against Iraq if Washington opts for a military response, ABC News reported Monday.

Chezy was said to be aiming to persuade leaders that Bush was sincere in his commitment to defend Saudi Arabia.

Bush said Sunday it was fair to assume he was working to persuade Saudi Arabia and Turkey to shut off Iraqi oil pipelines that run through their countries.

Asked how he could prevent the consolidation of an Iraqi-engineered government of Kuwait, Bush shot back Sunday: "Just wait. Watch and learn."

The Washington Post said why covert action would likely be a blend of efforts to strangle Iraq's economy, foment discontent in the military and support resistance groups inside and outside the country.

"The president has asked for the broadest possible set of options and plans for dealing with what is being treated as a major challenge to his presidency and his political standing at home," the paper said.

Asked to comment on the report, a White House spokesman said: "We cannot comment on options or intelligence matters."

The Post said some officials involved in Arab diplomacy were pressing for creation of an all-Muslim force of Egyptian, Pakistani and Saudi ground forces to face the Iraqis and make U.S. air support more palatable for the Saudi monarchy, which recoils

at any open show of its close ties with the U.S. military.

The paper, quoting U.S. and Arab officials, said Egypt had begun mobilising some of its forces to make them available to assist Saudi Arabia if it is attacked.

The president said Sunday there was "a strong feeling" among the NATO allies "that we must have a concerted action to isolate Iraq economically."

To Baghdad's report — accompanied by government television footage — that it had begun pulling out its 60,000 troops, Bush snapped that the Iraqis "lied once again."

Bush said he knew of no country willing to recognise the "puppet regime" of military officers that Iraq has installed in Kuwait to replace the ruling royal family. The emir fled to Saudi Arabia as the Iraqi tanks rolled down on Kuwait City.

"I want to see the Arab states join the rest of the world in condemning this outrage and doing what they can to get Saddam Hussein out," said Bush.

"I am disappointed to find any comment by anyone that apologises or appears to condone what's taken place," he said.

Bush said he did not believe any Americans in Kuwait were in "imminent danger," but emphasised his "willingness to do whatever is necessary" to protect American lives.

The United States has imposed an economic boycott of Iraq. Bush has spent much of his time since then urging other nations to use economic pressure on Baghdad.

Tens of thousands of Iraqi troops

were reported massed in Kuwait near the Saudi border. Congressional Les Aspin said intelligence reports indicated an additional 18 Iraqi divisions moving south toward Saudi Arabia.

Sen. David Boren said there had been minor Iraqi incursions into Saudi Arabia that he described as "sort of putting a foot across."

A U.S. official, who declined to be identified, said it appeared Iraqi troops were digging in rather than pulling out, building fortifications in some parts of Kuwait.

Fitzwater confirmed that 11 American oil workers rounded up in Kuwait after the invasion were in Baghdad safe and free to leave.

France announced Monday it was reinforcing its naval presence near the Gulf in its latest response to the crisis.

Paris also put into immediate effect a total embargo on trade with Iraq and severed its controversial military relations with Baghdad.

A Foreign Ministry spokesman said a frigate was sailing from the Eastern Mediterranean to the mouth of the Gulf, joining two other French warships already in the area.

Before last Thursday France had just one ship patrolling the waters east of the Hormuz Straits, at the mouth of the Gulf.

The French naval build-up was clearly linked in the possibility that the United Nations Security Council will order a maritime blockade to prevent oil exports by Iraq and Kuwait from reaching international markets.

"If you order a blockade you need the means to enforce it," one senior French official said.

Ishaq Khan sacks Bhutto

(Continued from page 1)

237-member National Assembly and call new elections.

The assembly, which the PPP narrowly controls, had been expected to convene Wednesday. But by Monday, the president still had not formally called the session, giving credence to the rumours.

On Sunday, political opponents announced that they intended to introduce a no-confidence motion against Bh

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Tips of interest to U.S. policy-makers

THE NEWS that was coming out of Washington yesterday was disturbing. President George Bush was beating the drums of war, we were told early in the day. He was requesting people to read his lips when he was asked about using the military option against Iraq. And then he went on to accuse the Iraqis of "lying" and all sorts of things in regard to their commenced withdrawal from Kuwait. The U.S. president even cast doubts about Jordan's position vis-a-vis the Gulf crisis, as if he does not know better.

The news that the American defence secretary flew into Saudi Arabia came next. Why did the man go there? And how did the Saudis receive him at such a time? People wondered. His arrival came at a time when the Americans were, first, beating the drums of war, and second, whipping up a frenzy about an impending invasion of Saudi Arabia by Iraq.

And if the other news about the U.S. and other NATO allies continuing and beefing up their naval build-up in Gulf waters was not enough, there came a dispatch from the Washington Post saying that the Bush Administration had ordered U.S. government agencies to begin planning covert activity to destabilise and eventually topple Iraqi President Saddam Hussein.

Informed sources were quoted by the newspaper as saying Bush initiated the planning over the past several days after being told by the Central Intelligence Agency (CIA) that the Iraqi president, already in a position to manipulate world oil prices, was a "ruthless" leader bent on making his country the Arab superpower.

The news was indeed disturbing, but not surprising, given the feverish pitch that the campaign against Iraq and its president had reached, even well before Iraqi forces moved into Kuwait last Thursday.

It was disturbing in the sense that the U.S. has not learned any useful lessons from its past experiences in this area and was bringing the region closer to the point where any miscalculation on the part of any party was bound to set the Middle East ablaze before anybody, including the Americans themselves, knew it. The news was not surprising, however, simply because in its enmity towards Iraq and its government the U.S. was expected to use psychological warfare to demoralise the Iraqi leadership or drive it into doing something that would go against its own interest.

His Majesty King Hussein pointed out in his interview with CBS news' Dan Rather on Sunday that he did not honestly know whether the U.S. would use military force against Iraq in the Gulf. But that if it did, everybody, the man in the street in the forefront, would fight against the Americans.

The experience and foresight that His Majesty possesses are too great for anyone to belittle. We, therefore, think it possible that what might easily pass as psychological warfare could in fact be a precursor for military intervention in the area.

Such an option, as the King stressed in the CBS interview, would be catastrophic and devastating — not only to the people and resources of the Middle East but also to the interests and well-being of humanity as a whole.

Thus the military option has to be ruled out. But if the American Administration does not know how to do it, then Dan Rather should probably re-run the tape of his interview with the King for them. In it there are, for U.S. policy-makers, some very useful tips. Iraq will withdraw from Kuwait within the framework of an Arab settlement that will satisfy all. Iraq will not attack nor invade Saudi Arabia. Saddam Hussein himself said that in an audience with the U.S. charge d'affaires in Baghdad yesterday. Baghdad wants to reach understanding and have normal relations with Washington and the rest of the world based on mutual respect for each other. Again, the Iraqi president personally stated this to the American diplomat on Monday. President Saddam is not a new Hitler, nor is he a loose tiger. He is an Arab patriot whose higher ideal is the service of the Arab peoples and their interests. Attempts to destabilise him would backfire and be harmful to all. All Arabs would come to Iraq's help if attacked by the U.S., Israel or any other foreign power. Those Arabs who will acquiesce in such aggression will be doomed.

The list of useful tips to America is long and may be taxing to most Americans. But it is a must reading for those who make the decisions in the American capital.

ARABIC PRESS COMMENTARIES

A columnist in Al Ra'i daily discusses the plight of the Kuwaiti nationals who have been stranded in Jordan and other Arab states and foreign countries because of the events in their country. Mahmoud Al Kayed, who is also the editor of Al Ra'i daily says that there is no doubt that this situation has created difficulties for the Kuwaiti nationals or Jordanians and Palestinians spending their holiday in the Kingdom. But, he notes, that thanks to the Jordanian government measures, matters have been arranged for the Kuwaitis and Jordanian expatriates working in Kuwait to benefit from certain plans placed at their disposal until matters clear up and they can once again contact Kuwait or return there. The Jordanian government has offered facilities to the stranded people, making them feel at home, and taking arrangements at the banks, hotels and other institutions to help ease the difficulties for them, the writer notes. He says that it is natural for Jordan and the Jordanian people to act in such manner, because they really cherish respect and affection towards Arab people from all countries.

King: Foreign military action will be fatal

(Continued from page 1)

Could you have one Arab state invading, conquering and occupying another Arab state, though there are those who say there already have been claims?

A: I believe there are certain degree of crisis. We have not reached the full limit of what can happen in this area. I for one have always stood for inadvisability for the acquisition of territory by force as so is my country, and, at the same time this is the principle we have upheld throughout our political life, and we are very sorry this has happened. But I believe there are many signs of (danger) unless there is a solution to the problem that affected millions of people who have just come out of a war that lasted eight years and affects people in the area in general.

What happened has happened but hopes are that we can somehow resolve this problem within the Arab content and the Kuwaitis and the Iraqis can resolve this once and for all and that there will be a turning point insofar as our relations are concerned in the future. A deeper look into the real problems that exist in this area would enable us to forge together but if pressures continue I am very afraid of the results.

Q: Now to follow on a number of things which you raised, we will first try to establish what the facts are at the moment. Saddam Hussein said he will begin withdrawing his troops today. Is he doing that?

A: As to the best of my knowledge the withdrawal has begun. I do not have any further details today of what has happened so far.

Q: Is it to say that while you believe he has started withdrawing you have no specific evidence or testimony to the fact?

A: To the best of my knowledge at this moment I am aware of the announcement of the withdrawal but I do not have any details what have been going there in the Gulf.

Q: If withdrawal has begun when do you expect it to be completed?

A: The commitment made by Iraq from the very beginning to us that they will begin withdrawing within days and that it would probably take no longer than weeks at the maximum. I really do not know what the plan is and I do not know exactly what the time is. However, if there is a threat of external pressure or intervention in the military sense I believe that all this could go out of control.

Q: Is it true or not true that the Iraqi forces are massed on the Saudi border?

S: I do not believe it is true.

Q: Is it true or not true that the Iraqi forces have entered the neutral zone or buffer zone?

A: I am not on the ground and do not have any one to advise me of whether it is or otherwise. But Iraq and Saudi Arabia have defined their border and they are long borders. If Iraqi forces were in Kuwait then they would be on the border of Kuwait and Saudi Arabia and if they are beginning to withdraw I hope this would apply to all these forces. If there is a threat of the possible intervention of outsiders I do not know where we will go from here.

Q: You have known Saddam Hussein for a long time. You believe or you do not believe that he intends to go into Saudi Arabia?

A: I do not believe he intends to go into Saudi Arabia.

Q: Has he himself told you that?

A: He has told me that.

Q: When was the last time you saw him?

A: Two days ago.

Q: Please give us some sense of not just who and what he is but where he is at the moment psychologically, motivationally where he is and who he is?

A: I believe he is a man who has gone through a very difficult experience who managed to hold his country together for over eight years of war and beyond, who has built his country up, who believes in the Arab World and who seeks to serve it and who is built up as a patriot. I have known him. I believe he has been the target of attacks from many quarters recently. But I believe this was really (a response) to the fact that Iraq represented something new in the area, a sense of a people united, a sense of a people who survived a terrible (ordeal) defending the Arab Order and that represented a threat to some within the area and outside unfortunately. This is where we are at the moment. I do not believe that Saddam Hussein is acting on impulse. He spoke of the situation at the Arab summit before all the Arab leaders describing the situation regarding oil as almost an active war against Iraq...

Q: When was the last time you talked to President Bush?

A: Three days ago from Alexandria.

Q: And, in brief, what did you tell him?

A: We spoke about the situation. He expressed his concern, deep concern, about what was happening and I did tell him that the belief I had, which I still have, was that Iraq was committed to withdraw from Kuwait. And he welcomed that news and he expressed his concerns about American lives and I said it was extremely legitimate and so were we.

I spoke to the Iraqi president about American lives and about foreigners in the area and he expressed to me his concern as well that he will do everything he could to ensure that they are safe...

Q: You mentioned several times your concern about intimidation. Do you believe there is a real present danger of a military move by the West led by the United States?

A: I believe that there is a danger and I believe the danger is in receiving again the wrong signals and coming to the wrong conclusions. There has been certainly a world polarisation.

It has unfortunately involved some of us within the Arab World. We were working very hard to get a summit that could include Iraq and some of us to try to resolve this problem. This has hindered us from doing so. I believe intimidation does not work. I do not know what the end result would be, but persuasion and good sense would. And my feeling is that we as Arabs ought to have a chance to try our best to resolve this problem.

Q: You spent your lifetime preparing for leadership and exercising leadership, and you can see Bush's situation clearly; he is a peaceful person. On the other hand there are many people who are saying to him, 'a tiger is loose around the Persian Gulf.' You, Mr. President, have the status of the only person who can keep the tiger from devouring others, so you must move now in a bold decisive move to match the bold decisive move of the tiger. That's a powerful argument.

A: There are other tigers in the area that have been loose for a long period of time and what surprises me very much indeed with the recent positive development in the world was that this area's problems were not addressed. Such a tiger exists in our neighbour — Israel — and its continued occupation of the land it has occupied and its annexation of the Syrian Golan and Jerusalem. So there are tigers in the area and maybe one creates another.

Q: There were continued and renewed reports today, none of them confirmed, or such things as the rapid deployment force being sent from the United States to the area beefing up both air power and sea power. Do you think these reports are true? Is that what you mean by attempted intimidation moves that can ignite more violence?

A: Yes. I do not have any confirmation but what I felt very frankly during the last few days was that there were pressures applied not only to bring the majority in the world in line but also to exert influence Arab logic and decision-making to go along to justify the possibility of some military action on top of economic and other actions in the area and what I am trying to say, and please believe me all, is that intimidation does not work, that it could be counter-productive and it could be in a far worse situation than we are facing at the moment.

Q: Do you believe that Mubarak was among those positioning himself and positioning that part of the Arab World he believes he represents in a certain way?

A: A premature decision adopted at the Arab League in Cairo, the condemnation, that may have really limited the possibilities of the countries that took their position in playing a constructive role trying to resolve the problem.

Q: What happened? Why was not the summit held?

A: The summit was meant to be held if that resolution did not come into maturity and reality. That was what I went to Baghdad to try to get the summit to meet, with the very clear understanding that nothing else would happen until we have the chance to meet and try to resolve the problem. I came back and the resolution had been adopted.

Q: You felt you had a deal, you thought you had an agreement that no measure of condemnation would be passed for the Arab League in Cairo. You went to Baghdad and Saddam Hussein agreed to come to the summit?

A: Iraq (had agreed) to come even at his level or at the vice president level. I was surprised when the resolution of condemnation was passed as I got back to Amman because I have felt in any event that such a crisis merited the attention of the leaders themselves rather than the representatives in the Arab League.

I believe the idea is that summits 'got to be productive and forthcoming and maybe a mini summit is the same but I believe bilateral and multilateral attempts by leaders will continue and this what are involved in at this time.

Q: Is this or is it not a bid by Saddam Hussein to reorder the whole power structure. Is this his bid to order not only the riches of the area but also the power and the borders of the area?

A: I do not believe that to be the case. And I believe many of us have realized a long time ago that a lot of situations where individuals can be the outbox. The outbox continues beyond individuals, none of us is lasting. But our responsibilities if we are in positions of responsibility is to ensure this nation enjoys stability and peace and progresses towards a better future which is its right.

Q: As I flew into Jordan today from the Persian Gulf area was told Jordan's King Hussein was going to recognise the new government in Kuwait. But you did not do that.

A: I have no intention of doing that at the moment and only the future will tell if we are to recognize the government.

I can't do it when we are set in a crisis and we are trying to resolve this crisis to the satisfaction of the Iraqis and the Kuwaitis. And by that I do not mean anything but the people, on the condition of people... We are playing a role and we hope we succeed in achieving something. So at the moment this question has not (arisen).

Q: If we speak again say in a week or 10 days, do you believe most of the Iraqi troops will be out?

A: If there are no new developments I believe yes....

Q: And if we speak in a week or 10 days do you expect at the time that the United States would have done some military move?

A: I honestly doubt it.

Q: You're fearful of that?

A: I am fearful of a great eruption in this area that could be devastating for all.

In reply to other questions, the

King replied:

I told you about the withdrawal. And we believe this has begun, would hopefully continue to (an end) to the occupation of Kuwait. And we believe in the possibility of Iraqis and Kuwaitis resolving this problem with our help and certainly as far as relations between Arab states are concerned they should be utterly reviewed and based on new foundation that would ensure that the reasons that have brought this cease to be and there could be trust and confidence to rebuild this part of the world together, which is our right after all as it is happening all over the world.

Why should not we give the Iraqis and the Arabs a chance to reorganise their lives and I do not mean by that changing systems of governments and changing borders and whatever to live the reality of the needs of the people in this area and hopefully make progress, resurrect this part of the world in line with the rest of the world in terms of their enjoyment of peace and security than ever before....

I certainly would not like any outside power to live the right to impose its will or control on this area in any formal way. We have fought, my family has, for Arab freedom, unity for progress in this area. We were the leaders and the soldiers of the Great Arab Revolt and we have been trying to achieve those goals of fathers and forefathers. You cannot expect me to acquiesce with the idea that any neighbours outside, be it Israel or others, (will) have the right to tell us that to do or not to do, and dictate as all our lives. I certainly would not enjoy continuing in the position that I occupy now. If it ever be the case I would not be proud of it at all.

I certainly hope that the question of hostages can be resolved as soon as possible. We have been shocked and we have been anguished by what has happened and by the suffering of the families of these hostages and we don't believe in this. This is Islam, this is not Arabism, this is not anything, we believe in. We have been against terrorism. It will continue to be and we hope there will be a solution to this problem soon. And every day that passes is an added burden to all of us in this world, including myself. On the other hand I hope the area won't deteriorate into a state of chaos.

I believe a military move would result in damage in this area. I do not believe at the moment that Saudi Arabia is a threat to Iraq and as long as they will continue to have the best of relations and I do not see why any possibility of that could happen. Between Kuwait and Iraq there was a problem. I hope this is the last kind of action that will be taken by any Arab state against Iraq. What I am saying is that there are two sides to the story and we appreciate as such. And although we are against the possession of territory by force and we continue to be. We are trying to repel the damage as soon as we can and I hope we will succeed.

The United States and Bush had to take some action a short while ago against a country that is member of the United Nations as well to the best of my knowledge. And he felt justified in doing so I am speaking of Panama and earlier on Grenada and I am saying why is this case so out of the ordinary? As much as it hurts me, that this has had to happen: is it

because Arabs are different? Are regarded as such by the rest of the world? We want the best relations with all our friends in the world. We want friendships to develop. The world has interest in this area. But it is a two-way affair. So look at our problems as well and try to help us instead of creating the atmosphere over the years that have caused a lot of anger to be there.

Underneath the surface, there is a lot of anger. There is a feeling that the Arabs had not been treated right. It is something that started tens of years ago. It continues and it grows. So do not be under the impression that things are going well. They are not. This what I feel. I feel what is in the hearts of the majority of Arabs in many different parts of the Arab World and that is why I agree that this has to be taken into consideration in this crisis and in regard to our relations now and in the future.

I suspect much indeed their motives and I would wish that we move from the area of crisis, wherever a crisis occurs, to try to look deeper into a problem and to try to help others find solutions to them. That

would be a different Arab World and a different future for it. Israel represents a very serious threat at this point in time. I think Israel has done a lot to create the present image of Iraq and its leadership with whatever means available to it over the past several months and so there is this danger and other dangers in the area of course, ranging from water to the needs of people everywhere.

So the area is passing through a difficult phase of its life. And the crisis seems to be building up and what we are trying to do is to defuse them, to address them as quickly and properly. Otherwise, if let us say there is military intervention it is going to be regarded by the Arabs including myself, as an attempt to destroy this Arab Nation once and for all, and this is what we resent.

This is going to be fought by the Arab man in the street and by every body. It means this area is going to an end what weapons can be used and what weapons of mass destruction in the area, in Israel and elsewhere anything can happen.

Security Council votes

(Continued from page 1)

to have begun a phased withdrawal of its invading force on Sunday and expresses deep concern that its "aggression" continues. Invoking the most binding provisions of the U.N. Charter, it prohibits virtually all trade with Iraq and Kuwait, two of the world's biggest oil producers.

It bans imports and exports of virtually all products and commodities to and from those countries, as well as new investments and the provision of any other financial resources.

Fall of Kuwait unprecedented in modern world economy

By Eric Hall
Reuters

DUBAI — The fall of Kuwait to Iraq consigned one of the world's richest and most sophisticated economies into a state of limbo unprecedented in the modern world's delicately integrated and liberalised financial markets.

"The complexity of Kuwait's financial dealings with the world is mind-boggling," said a Saudi bank director.

Faced with a freeze of Kuwaiti and Iraqi assets and an embargo against their oil exports by the West, Gulf economists and bankers were struggling to comprehend the legal and financial consequences of the Iraqi takeover last week.

Japan, Iraq's major trade partner and oil customer, secured the Western economic stranglehold on Baghdad on Sunday when it halted all trade and financial contacts with Iraq and Iraq-occupied Kuwait.

"An asset freeze is effective when quickly applied. But it also creates an enormous banking mess and will give rise to heaps of lawsuits," said a U.S. official who was involved in the Hague-based claims tribunal resulting from Washington's similar action against Iranian assets 10 years ago.

But there is no post-war precedent which comes near to the fall of Kuwait in the breadth and depth of financial effects, and no example at all since the financial liberalisation of the 1980s and the creation of the 24-hour global marketplace.

Baghdad's takeover suddenly put into a financial limbo well over \$100 billion of Kuwaiti money locked into foreign stocks, bonds, and bank deposits.

It immediately wiped out 1.5 million barrels per day of oil from the world crude market, and has blocked the flow of an estimated six billion dollars per year and more in annual Kuwaiti investment income.

Gulf-based economists said, "Where is the Kuwait sovereign state?" asked one Bahrain bank manager, "who do you deal with?"

The deposed Emir of Kuwait, Sheikh Jaber Al Ahmed Al Sabah, is supposed to have power of attorney over most, if not all Kuwaiti investments, but Western diplomatic economists wondered whether this would be legally acceptable now that he has no seat of power.

The increased complexity in world markets will add to the difficulties of sorting things out but at the same time the increased sophistication of mar-

kets should cool investor fears.

"It's too early to know what the real impact will be and I don't think it need be a disaster, but obviously it is going to be very complicated," said the head of a major Arab bank.

"The 1987 stock market crash was contained. I don't think it is anywhere near as bad as that," he said.

An immediate British freeze on Kuwaiti assets on Friday was soon perceived to be too hasty in some respects and the Bank of England quickly exempted deals done before 1400 GMT on Thursday, before Iraqi troops took firm control over the Gulf state.

The Kuwaiti dinar has effectively ceased to exist as a means of transaction outside Kuwait.

Kuwait's affairs will be particularly complicated because of its unique strategy among the rich Gulf Arab states of taking progressive long-term investments by buying directly into overseas banks, companies, and oil firms, the economists said.

The London-based Kuwait Investment Office (KIO), which was the main overseas financial manager of Kuwait's holdings, announced that all transactions on its behalf were invalid.

A former KIO chief, Fouad Jaffar, once said: "we are

opportunists. We see an opportunity, take it, are proud of it."

Several multinational corporations and dozens of other large companies in the United States, Europe, Japan, and Southeast Asia will reopen their offices on Monday to find their Kuwaiti shareholders and board members penniless, and powerless.

Some of the major companies with significant Kuwaiti holdings include British Petroleum, Japan's Toshiba, and U.S. Giant General Electric.

The Gulf states face a nightmare of Kuwaiti cross-holdings in the main, Gulf Arab firms and banks, but without much of the complicated Western legal procedures to tackle labyrinthine financial cases. Western diplomatic economists said.

For example the Arab world's biggest bank, Arab Banking Corp, has a 25 per cent Kuwaiti ownership.

Some firms have Kuwaiti and Iraqi holdings. Gulf International Bank, the other main Bahrain-based, Arab Offshore Bank, is equally owned by the seven Gulf Arab states.

The important Saudi-based Arab Petroleum Investments Corp is owned 17 per cent by Kuwait, and 10 per cent by Iraq.

Mutt'n' Jeff



Andy Capp



Peanuts





A-BOMB DOME: The A-bomb dome, the hollow remains of the former Hiroshima Industrial Promotion Hall, stands in the ruins as a symbol of the destruction of the world's first atom bomb attack.

'That this evil shall never be repeated'

By Janice Fuhrman
The Associated Press

TOKYO — When Hiroshima remembers the atom bomb it is with a flock of doves and a mournful tolling of bells. On the central monument to the bomb victims is a prayer "that this evil shall never be repeated."

Forty-five years after the United States waged the world's first atom-bomb attack, Hiroshima continues to lay the grim realities of nuclear war before the world.

But most remembrances of Aug. 6, 1945, in Japan focus on the horror of the instrument of war and the 140,000 deaths it caused, and rarely on the responsibility of the warring nations.

When Hiroshima unveiled a refurbished peace memorial museum last year, 16 groups of citizens, bomb victims and labor unions demanded the city include an "aggressor's corner" that would focus on Japan's role in World War II.

City officials refused the demand. In a written statement, the city quoted former Prime Minister Noboru Takeshita, who said in 1988 that it was unclear that Japan was an aggressor in World War II.

"The purpose of this museum is to bear witness to what happened on Aug. 6 in Hiroshima," said Yoshitaka Kawamoto, president of the museum.

The museum's exhibits call the attack genocide and note that it was aimed at civilians.

Several right-wing groups, such as the Great Japan Patriots Party, also opposed a display on Japan's aggression.

"If we had a display about Japan's aggressive role, people will think it is natural for aggressors to be atom-bombed," said Toru Kataoka, manager of the Peace Culture Centre, which is housed in one of three major buildings at the peace park. "It opposes our basic policy on the museum, which is to pray for the victims."

More than 20,000 of those victims were Koreans, brought here as slave labour during Japan's 35-year colonisation of the neighbouring Korean peninsula.

They have seldom been recognized. But a turning point seemed to have come last May when South Korean President Roh Tae-woo visited Japan, only the second Korean head of state to do so.

Prime Minister Toshiki Kaifu extended to Roh "sincere remorse and honest apologies" for Japanese actions that "inflicted unbearable suffering and sorrow on the people of the Korean peninsula."

During the visit, Japan and Korea agreed to create a 4 billion yen (\$26.8 million) fund for Koreans still suffering from bomb-related ailments.

In his annual peace declaration on Monday's ceremony, Mayor Takeshi Araki will for the first time call for financial and medical support for atomic bomb survivors on the Korean peninsula.

But when South Koreans built a monument in 1970 to honour their countrymen who died from

the bombing, city officials said there was no room in the peace memorial park, citing 20 monuments there already.

The Koreans kept up the pressure and last May, the city relented.

The monument was scheduled to be moved inside the park in time for the 45th anniversary, but disputes between groups representing those loyal to the Seoul government and those supporting the communist government of North Korea have delayed the move.

The two groups now say they will build a new monument inside the park, but planning has reached an impasse. They can't agree on how a plaque on the monument should represent the rival governments on the Korean peninsula.

Kawamoto also said the museum is planning a display on Korean victims. "We're preparing videos and displays on them, as a historical fact."

But many are hoping it won't be the selective history that official accounts of the war, such as in school texts, have embraced in the past.

Concern by officials of Southeast Asian countries about the rise of Japan as a military power prompted Foreign Minister Taro Nakayama to reassure a recent gathering of regional foreign ministers that Japan does not intend to rebuild its military strength.

Southeast Asian countries are afraid that trade tensions between the United States and Japan could threaten the close U.S.-Japan security arrangement, in place for three decades, and lead to a bigger military role for Japan in the region.

Nakayama reportedly told the foreign ministers, "Japan looks back with humility on the suffering it inflicted on the nations of Asia in the last war."

Under its so-called peace constitution, Japan is banned from building up an offensive capability. Its self-defense forces are made up of 274,000 men and women.

A tentative plan for next fiscal year's military budget increases spending by just under 6 per cent, the slowest growth since 1981.

In Hiroshima, efforts to preserve the horrific experience continue. Last year, the city collected more than \$2.5 million in public donations to preserve the A-Bomb Dome, the hulking skeletal remains of a building left standing near the hypocentre.

Preserving the A-Bomb Dome is important "because its ravaged state sounds a warning about the potential for humanity to destroy itself with nuclear weapons," Mayor Araki said last year.

Most Japanese observe the atomic bombings mournfully, each year adding names of those who have died in the past year from lingering effects of radiation. Japan officially abhors nuclear arms, and there are numerous anti-nuclear and other peace groups in the country.

Nagasaki was bombed three days after Hiroshima, and Japan capitulated on Aug. 15, 1945.

Business protocol — an ingredient of success

For instance, she says, it's a faux pas to talk business over dinner in France. Do so and you'll be seen as an oaf, fair game for some cutting French wit. Similarly, one should never jot down a name or number on a business cards in Japan. Such cards are taken very seriously and should not be treated in a cavalier manner.

By Tony Rogers
The Associated Press

BOSTON — At a business dinner in Paris, an American executive scooped up a business card from a Japanese counterpart, scribbles his number on it and hands it to a Saudi Arabian on his left.

Wrong, wrong and wrong. Dorothy Manning would say. Manning is a cultural consultant whose job is to guide globe-trotting CEOs through the thicket of international customs that can ensnare the best-planned business deal.

For instance, she says, it's a faux pas to talk business over dinner in France. Do so and you'll be seen as an oaf, fair game for some cutting French wit.

Similarly, one should never jot down a name or number on a business card in Japan. Such cards are taken very seriously and should not be treated in a cavalier manner.

In Saudi Arabia, it is the height of poor manners to pass documents with the left hand. Why? The left hand is used for bathroom functions.

"Other countries are small, they depend on external commerce," Manning says. "The Japanese thoroughly study us, and the Europeans grew up in a situation where they have to deal with other countries."

"Up until now we've been so big and strong, it hasn't been necessary," Manning adds.

No more.

With Europe united, the Japanese economic juggernaut steaming ahead and communism crumbling in the East Bloc, American business must compete in an ever-expanding global market. That means plenty of opportunity for consultants like Manning, who charges between about \$350 and \$750 a day per executive.

Frank Mandicott, an international support services manager for General Electric Aerospace in Syracuse, New York, said he has used several

such consultants. Although it can be difficult to persuade corporate management to pay for cultural consulting, he doesn't doubt the value.

"The money is well spent," Mandicott said Monday. "If you go abroad and offend your host and lose the contract, what's the cost of that?"

Manning says the central problem in doing business internationally is establishing trust.

"People tend not to trust each other because they don't understand each other," she says. "If you see someone who dresses differently, who has different customs, you're not sure they're being open with you until you know that's normal for them."

Of course, what's normal from one country to the next can vary quite widely.

For instance, in many Muslim countries, written contracts don't exist. And in Korea, contracts are viewed not as a binding pact but a document from which to depart if conditions change.

Other tips for the international executive:

— Don't send chrysanthemums to a colleague in France. They are a symbol of death.

— Never show the sole of your foot to an associate in Saudi Arabia. Doing so implies you feel you can tread upon someone, and is very insulting.

— Holding up two fingers will get you a cab quickly in the Soviet Union. But think twice before doing so — two fingers mean you'll pay double.

But sometimes even the cultural consultants can err. Manning organised 8 a.m. breakfast forums on business protocol for international executives.

All was well, until she realised that the timing for some might be off.

"The Moroccans brought it up right away," Manning says. "They said they didn't get up that early."

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Soviets dominate boxing finals at Goodwill Games

SEATTLE, Washington (R) — Soviet fighters won four of six titles on the last day of Goodwill Games boxing to edge the U.S. team for gold honours in the eight-day tournament.

Three of the six Sunday finals matched U.S. and Soviet boxers, with the Soviets taking two of them to bring their gold tally to five — one more than the young Americans.

The powerhouse seven-man Cuban team, which includes four world amateur champions, came away with just two golds.

Super heavyweight Yevgeni Belousov got the Soviets started with a 3-2 decision over American Larry Donald in the opening bout of the day.

Belousov outpointed Donald with rapid, well-timed combinations. "I had a plan for him — no infighting, no slugging, mostly counter-punching," Belousov said.

"I was more or less going up against a bear," Donald said. Soviet Andrei Kurnyavka, the world amateur middleweight champion, completed a golden performance as a light heavyweight by outboxing American Terry McGroom to win 5-0.

American Eric Griffin, the world light flyweight champion, delivered the only U.S. victory against the Soviets Sunday with a convincing 5-0 decision over Anatoli Filippov.

Filippov tried to trap the American against the ropes in the first two rounds, but Griffin was too quick and scored with fast shots to the head.

In the last round the boxers slugged it out at mid-range, with Griffin getting the best of the exchanges.

"It was kind of close the first two rounds. The third round I really came on," Griffin said. Soviet world light middleweight champion Israel Akopkhanian edged world number two East German Torsten Schmitz in a 3-2 decision that drew hoos from the crowd.

Schmitz forced the pace of the fight, constantly attacking the Soviet, who stood back and relied on quick jabs to score.

"I felt I was winning all the way, but I was nervous about the decision," said Akopkhanian, who has had 302 amateur bouts.

Schmitz was disappointed. "In many decisions the results are different than the way the fight went," he said.

Soviet light welterweight Konstantin Tsyu beat compatriot Aleksandr Banine 5-0 in a slow-paced bout.

In contrast, the bout between American featherweights Oscar de La Hoya and Ivan Robinson was a non-stop slugfest that brought the crowd of 8,600 to their feet.

De La Hoya, at 17 the youngest boxer in the games, stood toe-to-toe with Robinson, 19, trading punches the entire nine minutes.

"When I beat older fighters I feel proud," said De La Hoya, who plans to move up to lightweight next year.

The showing by the relatively inexperienced U.S. team, which included just one world champion, drew attention.

"Years ago the Americans were very good," Akopkhanian said. "This team is a wonderful team. I think they're coming back."

Basketball

The U.S. women's basketball team reaffirmed their status as the world's best by beating the Soviet Union 82-70 Sunday to win the Goodwill Games gold.

The Americans, who last month retained their world championship, ran up a 43-33 halftime lead and held off the Soviets in the second half to extend their international winning streak to 41 games dating back to 1984.

Teresa Edwards led the winners with 16 points and Katrina McClain added 15 points and 14 rebounds.

Irina Shevchuk topped the Soviets' scoring with 17 points. "I congratulate the best women's team in the world," Soviet coach Evgeni Gomelski said. "No question, the USA team is number one in women's world basketball."

Ice hockey

The U.S. ice hockey team narrowly missed performing another "miracle on ice."

The American icemen, beaten 10-1 by the Soviet Union earlier in the week, were 21 seconds

away from upsetting the Soviets for the gold medal Sunday, but lost after overtime in a soccer-style shootout.

The U.S. ice hockey team nearly scored its first victory over the Soviets since the much-touted miracle on ice — when the Americans beat the Soviet Union at the 1980 Lake Placid Olympic Games.

But it was not to be. With the U.S. leading 3-2 and 21 seconds left in regulation play, Soviet Valeri Kamensky completed a hat-trick to send the game into overtime.

After a 10-minute, scoreless sudden death period, the Americans found themselves facing their second shootout in two days.

Unlike Saturday, when they beat Canada 5-4 to advance to the final, the Americans came up short and the Soviets, Olympic and world champions, won 4-3.

In the water, East German Jan Hempel beat 1988 Olympic silver medalist Ni Xiong of China to win the men's 10-metre platform diving competition — the final medal event of the games.

Doping scandal

The Goodwill Games were hit by a doping scandal Sunday when officials announced that four athletes had tested positive for banned substances during the competition.

Neither the athletes nor their sports were identified by officials of the Soviet-American Joint Commission against doping, which supervised testing for the 21-sport competition.

"They were not in the same sport," Baaron Pittenger, co-chairman of the commission, told Reuters.

Two of the positive tests involved over-the-counter drugs, but Pittenger would not elaborate. "We've said what we are going to say," he said.

Pittenger said the positive tests were reported to the various sport federations for action.

The four positive tests were found among 493 tests conducted in 18 sports during the first 16 days of the 17-day games, which ended Sunday.

Swede wins British golf tournament

WOBURN, England (AP) — Helen Alfredsson sunk a five-foot putt on the fourth hole of sudden death playoff Sunday to beat Zimbabwe's Jane Hill and win the British Women's Open Golf championship, her first tournament victory.

Alfredsson, last year's European women's tour rookie of the year, started the day one shot back of third-round leader Marie-Laure de Lorenzi of France. But she shot an even-par 73 Sunday for a four-round total 4-number 280, enabling Hill, who was six shots off the lead entering the final round, to catch her with a 5-under 68.

Alfredsson had to sink a 10-foot putt on the first extra hole to stay with Hill, after the Swede's approach shot found a bunker. Both dropped five-foot putts on the second and third holes before Hill's approach to the fourth extra hole, the 16th, was short and it took her three putts to hole out.

Former British and U.S. Women's Open champion Laura Davies made a late challenge with a final round 70. But her 291 total was only good enough for a share of third place with countrywoman Katrina Douglas, who shot 76, and Dana Lofland of the United States, who shot par.

Alfredsson has never finished better than third in any pro event before.

De Lorenzi knocked herself out of contention on the first hole with a seven and finished with a 79, giving her a 1-over 293.

Geboers quits

BRUSSELS (R) — Eric Geboers said Sunday he would quit motocross, announcing his retirement only hours after he regained the world 500 cc title by winning the Belgian grand prix on home soil in Namur.

"I've been thinking about it all year long. I'm really not motivated any more," he told Belgian television after the win on his 28th birthday. "I put all my motivation together one more time to win this year and then quit."

Geboers, who recently started up his own company, said he had trained only three times on the bike this year because he was fed up with the sport. The Belgian rider, a professional for 12 years, won two world titles in the early 1980s in the 125 cc category, a 250 cc title in 1987 and the 500 cc world crown the following year. He is the only rider to have won the world title in all three motocross categories.

Graf ends title drought with win over Maleeva

MONTREAL (R) — Top seed Steffi Graf ended her longest title drought since becoming world number one three years ago with a thrilling 6-1, 6-7, 6-3 victory over third seed Katerina Maleeva of Bulgaria at the \$500,000 Players Championships tennis championships Sunday.

The 21-year-old West German, playing in her first tournament since sinus surgery last month, had failed to win her last three tournaments. She fell to Yugoslav Monica Seles in finals in West Berlin and at the French Open and failed to defend her Wimbledon title last month when she lost to Zina Garrison in the semi-finals.

"I was so happy to win this one. It's the best I've played in quite a few months," said Graf, after winning her fifth title of the year, but first since May 6 in Hamburg.

"I think it was perfect preparation for the U.S. Open," added Graf, who will defend her title in the year's final grand slam event beginning Aug. 27. "It is important to win the close ones. Especially before the U.S. Open. I was needing this."

Graf played nearly flawless tennis through 3-1 of the second set, at one stretch winning 13 successive points to build a 5-0 first set lead.

"To 6-1, 3-1 I think I was playing very, very well. I mean I couldn't have played much better," said Graf, who surrendered just 10 points to Maleeva in the opening set.

But Maleeva, determined to give the crowd their money's worth, began serving and returning better in the second set.

She fought off a break point that kept Graf from going 4-1 up and later broke the West German to level the set 5-5.

The third seed, who had never taken a set from Graf in six previous meetings, set the match into a third set when Graf hit a backhand volley wide that gave Maleeva the tiebreak 8-6 on her fourth set point.

Graf then jumped out to a 3-0 third set lead, but Maleeva refused to fold and fought back to 3-3.

Recovering her poise, Graf ultimately proved too strong and ran off 12 of the last 13 points to earn the \$100,000 winner's check.

Despite her defeat, the 21-year-old Maleeva appeared quite pleased with her performance.

"I am happy because I won a set. If I won one set now, I might win two sets the next time. I wanted to show the crowd I wasn't afraid to play Graf. She's also a human being," she said.

Edberg overcomes twisted ankle, beats Chang for title

LOS ANGELES (R) — Top seed and Wimbledon champion Stefan Edberg, forced to retreat to the baseline because of a painfully twisted ankle, overcame fourth-seeded American Michael Chang 7-6, 2-6, 7-6 to win the \$250,000 Los Angeles ATP tennis tournament Sunday.

Edberg, who had lost his three previous finals here, played the entire third set on a tender left ankle he had twisted while changing directions in the fifth game of the second set.

After the third set was contested without either player reaching a break point, Edberg took a 4-1 lead in the decisive tiebreak behind some of the best serving of the day.

The Swedish world number two then won the final three points from 4-3, closing out the two hour 37 minute match on a netted forehand by Chang.

Edberg, who now holds a 4-2 career edge over Chang, limped visibly throughout the final half of the match and said later that his injury forced him play from

the baseline to limit the constant starting and stopping that his usual attacking game requires.

"After I twisted it, I had to change my game. I got very relaxed and only felt it when I reached out wide. The big question now is how will it feel tomorrow," Edberg said.

Chang, the 1989 French Open champion who won the Canadian Open last week after a disappointing first half of the year, took the second set on two breaks of serve, the first of which came in the fifth game when Edberg twisted the ankle and has forced to take a three-minute injury time-out.

Edberg saved two set points at 2-5 of the first set, one on a service winner and the other with a stunning volley, before rallying to force Chang into the first tiebreak.

Chang, ranked 11th in the world, reached 4-4 in the first tiebreak, but Edberg ripped a backhand return winner to go up 5-4 and then served out the tiebreak, winning 7-4.

USSF elects new president

ORLANDO, Florida (AP) — Alan Rothenberg, a relative unknown to soccer enthusiasts, Sunday won the lead role in planning the 1994 World Cup when he was elected president of the U.S. Soccer Federation (USSF).

Rothenberg, a Los Angeles attorney who said he joined the race just two weeks ago at the urging of FIFA officials, easily beat incumbent Werner Fricker and USSF treasurer Paul Stehl for a four-year term. Rothenberg received 343.9 votes at the organization's annual meeting, while Fricker finished second with 169.66 ballots. Stehl received 69.2 votes.

After watching the USSF membership become divided by months of bitter campaigning between Fricker and Stehl over the direction of World Cup management, Rothenberg became a surprise late entry promising "a fresh perspective."

The 1994 World Cup already had been awarded to the United States. FIFA, soccer's Switzerland-based world governing body,

apparently prompted Rothenberg to run.

"They put the bug in my ear," he said.

Stehl said such dealings amounted to a "hostile takeover" of the USSF and its involvement as organizer of the 1994 games.

"What is fair about outside interference?" Stehl said. "This electoral process has been orchestrated. We're under siege."

The membership, many of whom said they had become weary of the fighting between Stehl and Fricker, also seemed concerned about FIFA's reported lack of confidence with the candidates.

Their election of Rothenberg wasn't surprising, but the overwhelming manner in which he was voted to office was perceived as a clear mandate to shake up the structure of U.S. soccer.

Stehl was the head of the USSF group that put together the United States' bid to host the 1994 World Cup. After FIFA awarded the tournament to the United States over Brazil and Morocco in July 1988, many thought he would be named to

head World Cup '94, the USSF subsidiary handling the event's organization.

But Fricker named corporate lawyer Scott Parks Letellier, who has run the outfit for the past year and a half.

Additionally, there has been disagreements within the membership over the U.S. national team, which although qualifying for the World Cup for the first time in 50 years, was soundly defeated in three first-round games. Other disputes have centered on the method of forming of a professional outdoor league, which was promised as part of the United States' bid to host the World Cup.

"I promised a new vision for soccer in the U.S.," Rothenberg said. "The membership obviously felt this was a golden moment for a change."

Rothenberg, who was a part owner of the now-defunct Los Angeles Aztecs of the North American Soccer League, called his election the "last hope for soccer in the United States."

Mucha takes first LPGA victory

DANVERS, Massachusetts (R) — Barb Mucha claimed her first career victory on the U.S. women's golf tour Sunday when she defeated Lenore Rittenhouse with a birdie on the second hole of a sudden death playoff at the \$350,000 Boston Five Classic.

Both players finished regulation play at 11-under-par 277 after Mucha turned in a final-round 69 and Rittenhouse posted a 7-under 65 over the last 18 holes to set up the sudden death showdown, the first for either player.

They remained even with pars

on the first extra hole — the 18th, but Mucha birdied the par-4 first hole to win the \$52,500 winner's check.

"I really felt good teeing off today," Mucha said. "Once I got to the halfway point today, my caddy told me to add a little spark to my game and I think that helped me get going. Until then, I was playing a little too relaxed."

"On the back nine, I tried to play a little more aggressive but not put too much pressure on myself. I had a lot of fun," Mucha said.

Mucha started the day with a one stroke lead at 8-under-par and came up with four birdies and one bogey to reach 11-under.

Rittenhouse started further back at 4-under but began her charge up the leader board early with four consecutive birdies beginning on the fourth hole.

On the back nine Rittenhouse birdied 13 and 15 and carded her final birdie on the 18th hole to force the playoff.

"I was playing with Cindy Rarick today and I really thought that she was going to win," Rittenhouse said.

Kite triumphs in sudden death, breaks \$6 million in earnings

MEMPHIS, Tennessee (R) — Tom Kite Sunday became the first \$6 million man on the U.S. PGA tour when he won the St. Jude classic golf tournament with a 12-foot birdie putt on the first extra hole of a playoff with John Cook.

Kite's victory, worth \$180,000, pushed his career earnings to \$6,144,890 and his 1990 total to \$544,149, marking the fourth consecutive year he surpassed \$500,000 in earnings. Kite set an all-time single season record of

\$1,395,278 in earnings last year.

On the playoff hole, Kite left a 7-iron second shot 12 feet from the pin, while Cook's shot landed in a greenside bunker.

Cook blasted out of a bunker to within 12 feet, but Kite nailed the birdie to win the final tune-up for next week's PGA championship at Shoal Creek in Birmingham, Alabama.

"I feel good about my game going into the PGA," Kite said on the year's final major tournament. "My putting is back."

Kite began the day tied with Cook after a course-record equalling 62 in Saturday's third round.

Sunday he fired a 4-under-par 67 in a fierce back-and-forth battle with Cook, who recorded four back-nine birdies to catch Kite, who had pulled away on the front side with birdies on three and four and an eagle on the par-5 fifth hole.

"I played so well on the front nine and then John put on that blitzkrieg on the back nine."

Schwantz wins again to close on Rainey

DONINGTON PARK, England (R) — Flamboyant Texan Kevin Schwantz sped to his second consecutive 500 cc win Sunday at the British motorcycle grand prix, smashing the lap record on the way.

Championship leader Wayne Rainey was second and Yamaha team mate and world champion Eddie Lawson, was third, completing an American clean sweep.

Schwantz, winner at Donington Park last year, lived up to his nickname of "Revin" Kevin" with a powerful display of controlled aggression on his Suzuki to slice a few more precious points off Rainey's lead.

The calm Californian leads Schwantz by 27 points in the championship with four races remaining and needs only to finish fourth in each to clinch the title.

Rainey has finished outside the top two only once this season, in

France last month when Schwantz won and he finished third.

Australian former champion Wayne Gardner, who snatched pole position for Honda in the closing minutes of practice Saturday, was forced to retire on the opening lap with engine trouble.

Schwantz, second fastest in qualifying, made a sluggish start from the grid as Lawson took the early lead with Rainey close behind.

But Lawson soon fell back and Rainey went ahead until the 10th lap when Schwantz took over. By the 17th lap Schwantz was in control, his time of one minute 33.763 seconds destroying the previous lap record of 1:34.51 held by Lawson.

"It was really windy out there and it seemed like every corner was a different racetrack from the

lap before," Rainey complained. The weather turned windy overnight after a week of sweltering heat.

Schwantz, who crossed the line with one wheel in the air and delighted the crowd by riding a victory lap standing up with an American flag billowing from his arms, said it would be difficult to beat Rainey for the championship but the battle was far from over.

"We're going to keep trying. We've got four races left and it's going to be really tough," he said.

Schwantz's victory put the two level on five wins each for the season but Rainey's finishing has been far more consistent.

A Honda racing team spokesman, asked about Gardner's early exit, said he was unsure what had happened: "Nobody dare go ask him," he said.

Briton Carl Fogarty, making

his grand prix debut in place of injured Italian Pierfrancesco Chili, had an equally disastrous race. He fell from his Honda on the third lap but was not seriously hurt.

In the 250 cc grand prix, Spaniard Carlos Cardus was handed the championship lead when American John Kocinski, who had led from the start on his Yamaha, skidded off on the 14th lap.

Luca Cadalora of Italy on a Yamaha went on to win, with Suzuki rider Cardus picking up enough points for his fifth place to move four points ahead of Kocinski.

Italian 17-year-old sensation Loris Capirossi, who started road racing at the age of 14, won his first world championship grand prix to top the 125 cc standings in his first season.

HOROSCOPE

TUESDAY, AUGUST 7, 1990

By Thomas S. Pierson, Astrologer, Carroll Wright Foundation

GENERAL TENDENCIES: A fair day to go after what you want with fine insight and prophetic understanding of the best means by which to show you are ready, willing and able to put lofty principles into execution.

ARIES: (March 21 to April 19) Be truly openminded to whatever arises that can be helpful to you in the days ahead and you have much prophetic insight how best to operate.

TAURUS: (April 20 to May 20) Follow your hunches now which can be most accurate in giving you the insight into ways to have far more of worldly goods than you now possess.

GEMINI: (May 21 to June 21) Get out in public for whatever constructive reason impels you and you can gain considerable progress towards the worldly ambitions you have.

MOON CHILDREN: (June 22 to July 21) You need to stop putting off and getting right into the activities to which you are committed, especially today when unusually good results follow.

LEO: (July 22 to August 21) Your romantic reactions are warm and magnetic now and you can make a closer bond with the one you love the most by more direct showing affection.

VIRGO: (August 22 to September 22) It is necessary now that you be

less analytical about conditions at your home and quickly put into motion some worthwhile changes your family likes.

LIBRA: (September 23 to October 22) Good time to make a special point to see and have any desired conversations with relatives, neighbors, close business or personal associates.

SCORPIO: (October 23 to November 21) Be direct today about those material transactions that you are convinced are beneficial and that you intend sometime to put in motion.

SAGITTARIUS: (November 22 to December 21) You have many wonderful inspired imaginative ideas now and don't procrastinate but put them in motion without further delay.

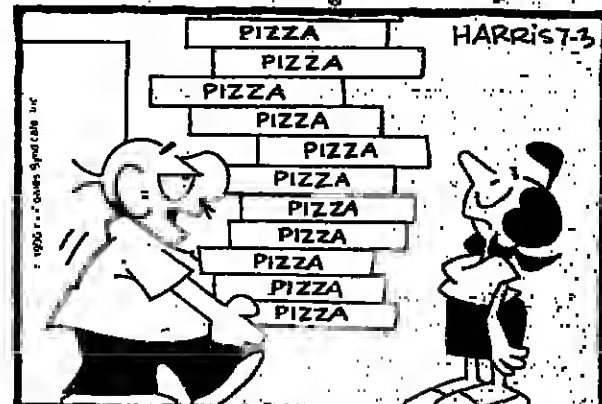
CAPRICORN: (December 22 to January 19) Every day you are wise to sit back, to analyze and consider what your ideas are, how to further gain them and this is just such a day.

AQUARIUS: (January 21 to February 19) Your day to be just as gregarious as you wish so make sure you do get in touch with and make appointments to see the many friends you like.

PISCES: (February 20 to March 20) Be more worldly minded now and get into whatever civic, credit or career interests are important to your reputation and advancement.

THE BETTER HALF

By Harris



JUMBLE

THAT SCRAMBLED WORD GAME by Havel Arnold and Bob Lee

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

SQUET

YUMMG

BOFRID

URBAUN



Now arrange the circled letters to form the surprise answer as suggested by the above cartoon.

Print answer here:

Saturday's Jumble: LOUSY VISTA SINFUL BELIEF Answer: He said he was living in the present — "TENSE"

(Answers tomorrow)

THE Daily Crossword

by Melvin Kammerer



ACROSS
1 Ancient kingdom
5 Thatched or pitched
9 Alphabet run
13 Farm measure
14 Fabulist
16 Indian
17 Tony Curtis film
19 Carry
20 Attack
21 Pealed
23 Mr. Krupp
24 Speaker of baseball
26 Hide away
28 Primped
31 Toward the rear
34 Ms. Farrow
35 Auto design
37 Thick soup
38 Lively, brisk
40 Cut
42 Darn it!
43 Barbarians
45 Competitor
47 Publicity places
48 Like mosaic
50 Easing of tensions
62 Fix firmly
64 Have status
65 Grain
67 Thailand
69 Students
73 Sp. money
75 Is suspicious
87 Algerian seaport
88 Radio and TV
89 L. resort
90 Absorbed
91 Detected
92 Thought

DOWN
1 Hard
2 Famed publisher
3 Metric measures
4 Solid
5 Rope ladders
6 "the remnants"
7 Glacial ridges
8 Set sights
9 Do slave work
10 Movie set in V.M.I.
11 Whale
12 Legal paper
15 Five: pref.
16 Buenos Aires
22 Air intake
25 Jewish festival
27 Poker variety
28 Mountain climbing
30 Actor

Fuel prices quadruple

Lebanese currency plummets to 710 for one U.S. dollar

BEIRUT (AP) — The Lebanese currency plummeted and fuel prices shot up Monday as a result of failure to reach a political settlement in Lebanon's civil war and Iraq's take-over of Kuwait.

The lira fell to an all-time low on the money market, closing at 710 to \$1.

The Lebanese lira was one of the soundest Middle Eastern currencies before the 1975 outbreak of the civil war trading at 2.5 liras to \$1.

Fuel prices have quadrupled since Iraq's move into Kuwait Thursday. A twenty-litre can of gasoline rose from 2,800 liras (roughly \$4) to 8,000 liras (\$16).

Lebanon imports all its fuel needs. There has been an acute fuel shortage in the market lately.

Long queues of motorists have been forming at filling stations for days in both sectors of the capital as well as other large cities and towns.

The oil ministry blamed the sharp rise on unidentified profiteers and said two fuel tankers were expected to arrive later this week with 33,000 tons of gasoline.

Financial sources at Lebanon's central bank attributed the new decline of the currency to the government's inability to resolve internal mini wars plaguing Lebanon's major sects.

The inability of President Elias Hrawi's central government to resolve the conflicts has initiated the latest currency depreciation, said one central bank source who requested anonymity.

The lira kept its value despite the civil war until 1984, when it rose to five to the dollar after meetings in Switzerland failed to reach a formula to end the sectarian conflict. Since then it has been sliding.

The Iraqi take-over of Kuwait is seen here as endangering plans to create a billion-dollar reconstruction fund for Lebanon to which oil-rich Arab nations like Kuwait were to be the main donors.

"We feel our problem is no more of major concern to the Arabs. We have been hurried in the sands of Kuwait," said Beirut's Voice of the People radio station.

Japan may face energy crisis after ban on Iraqi, Kuwaiti oil

TOKYO (R) — Japan may face an energy crisis after its decision Sunday to ban imports of Iraqi and Kuwaiti oil in retaliation for Iraq's takeover of its neighbour.

Oil industry sources and analysts said the country could experience a serious oil shortage and sharply higher import bills if the ban lasted more than a few months.

Government statistics show the country, which imports 99 per cent of its oil, has just 142 days of reserves.

Higher oil prices could fuel inflation and slow economic growth, International Trade and Industry Minister Kaban Muto told a news conference after Japan announced the ban.

Oil refiners, who get 70 per cent of their oil from the Middle East, must now look for alternative sources of crude.

Muto said its almost total reliance on imports put Japan in a worse position than countries with their own energy resources.

The government said the ban would stay until Iraq withdrew its troops from Kuwait and returned the emir to power.

Iraq and Kuwait supplied about 12 per cent of Japan's oil in the first six months of 1990, a Ministry of International Trade and Industry (MITI) official told reporters.

The Japanese government, following a similar decision by the United States, announced the complete ban on oil imports from Iraq as part of a package of economic sanctions.

A MITI official said oil products in general were included in the ban but it was not yet clear whether all products, such as liquefied petroleum gas, would be included.

In terms of the effects of a possible disruption of oil flows, "everything hinges on how long the conflict will last," said Naoshi Kojima, chief economist at the Japanese Institute of Middle Eastern Economics, before the ban was announced.

"Japan would be all right if it is only for a few months and would be able to cover its needs with oil from its stocks and other suppliers," he said.

Muto said Japan would seek extra supplies in the world market if the sanctions remained in effect for long.

Industry sources said reduced supplies from Iraq and Kuwait would be covered for a time by increased production from other exporters including Saudi Arabia, the United Arab Emirates (UAE), Iran, Venezuela and North African countries.

One analyst for a leading Japanese refiner said the combined surplus production capacity of Saudi Arabia, the UAE and Venezuela was almost equal to the united current production of Iraq and Kuwait of four million barrels per day.

Norway cannot raise oil output

OSLO (R) — Oil firms in Norway, which are closing many of their North Sea platforms for routine summer maintenance work, said Monday they were unable to raise output to make up for shortfalls caused by Iraq's takeover of Kuwait.

"We have no possibilities at such short notice to increase production," said Arild Steine, spokesman for Norway's state oil firm Den Norske Stats Oljeselskap (Statoil).

Fields operated by Statoil account for about one million barrels per day (b/d) of Norway's total, which averaged 1.64 million in the first half of 1990. Norway is Western Europe's biggest oil producer after Britain.

With a population of only 4.2 million, Norway is also one of the biggest non-OPEC exporters and stands to earn millions of dollars extra in exports after oil prices leapt \$3 a barrel to more than \$26 Monday.

Oil companies here had already been trying to pump at full capacity after the government on July 1 scrapped a four-year-old policy of restraining output to help OPEC underpin prices.

But Norway's North Sea output sank in July from June due to a brief oil workers' strike and seemed destined to remain low in August and September due to routine shutdowns for maintenance.

London brokers County Nat-west Woodmac have predicted Norway's oil and natural gas liquids production would average 1.5 million b/d in the third quarter of 1990 and rebound to a record above 1.9 million in the fourth quarter.

"We cannot put off maintenance, this is required to enable us to have high production for the rest of the year," Statoil's Steine said.

Other North Sea oil firms have also said they were unable to delay maintenance, under which several major platforms will close for two weeks or so at a time. The main closure now is at Statfjord B platform, which usually pumps around 230,000 b/d.

Oil prices head towards \$27 a barrel

LONDON (R) — Oil prices soared Monday because of fears of a wider Gulf conflict and chaos over supplies after major nations boycotted exports from Iraq and Iraqi-held Kuwait.

London futures prices for the world benchmark crude Brent blend, from Britain's North Sea, hit a high at \$26.80 per barrel for September delivery against \$23.48 at Friday's close.

"It has been absolute pandemonium in the market," said Peter Gignoux, a London-based director with trading house Shearson Lehman Hutton.

With tankers no longer calling to pick up its oil, Iraq Monday closed one of its pipelines taking exported crude across Turkey.

The oil market has been in turmoil since Iraq invaded Kuwait at dawn last Thursday, causing tension in a region supplying a fifth of Western oil.

Concern that Baghdad might invade Saudi Arabia, OPEC's biggest exporters, have fanned tension.

Brent is up more than \$3 from Friday. The Brent price, a key indicator of what crude fetches around the globe, has soared more than 75 per cent from around \$15 in mid-June, largely because of tension in the Gulf.

It has not been as high since December 1985, just before OPEC states began ignoring quotas in a scramble for oil revenue. Cheap energy since then has helped to fuel the longest post-World War II global economic expansion on record.

Peter Nicol, a director of oil research with Warburg Securities in London, said that embargoes now imposed on Iraqi and Kuwaiti crude by the United States, the 12-nation European Community and Japan had caused "a huge supply dislocation."

Companies which could not lift Iraqi or Kuwaiti oil any more were scrambling to get supplies from elsewhere — "crude you thought you had in your supply chain is no longer there."

World stocks are at eight-year highs, with cover for about 100 days because of recent excess OPEC production. But oil firms are still searching for crude rather than tap their stocks.

"There is a natural instinct to hoard," Nicol said.

"People are reluctant to use stocks before they know how bad things will get. The nightmare scenario is that we may go to a blockade, conflict and damage to oil facilities," he noted.

Iran's oil minister, Gholamreza Agazadeh, estimated on Monday that actual volume lost by the embargoes that have been announced so far will be about three million barrels per day (b/d) or about 13 per cent of OPEC supply.

Agazadeh said some 4.6 million barrels were to have been produced by Iraq and Kuwait under OPEC quota rules.

"If we deduct domestic consumption and if a boycott against Iraq is effected which will never be 100 per cent then we will be talking about something like three million," Agazadeh said.

There was "more than this floating in tankers," and he thought stocks ought to cover the loss.

Oil supply analysts said his arithmetic might be right.

But they did not take account of the concern that the crisis could escalate with a possible blockade of Iraq under mandatory U.N. sanctions or a "nightmare scenario" of war between Iraq and a U.S.-backed Saudi Arabia.

Other industry officials said that in a week or so, if the price spiral continued, Western nations might have to ask Saudi Arabia to make up lost Iraqi and Kuwaiti volumes.

Iraq would be furious if it thought its Arab neighbour would do so, industry experts said.

The West's need for Saudi oil was seen by industry officials as a more pressing reason for offering the kingdom Western military guarantees than any notion of getting it to shut a pipeline taking Iraqi crude across its territory in order to punish Baghdad.

Closing pipelines that cross both Turkey and Saudi Arabia or blocking their Mediterranean and Red Sea outlets were apparently seen by the United States as a next option if the oil embargoes did not force Iraq to withdraw from Kuwait.

To make up shortages, Saudi Arabia could raise daily output by at least 1.5 million barrels with 700,000 more coming from the neighbouring United Arab Emirates if they also defied Iraq.

Industry supply officials reckon that among others Venezuela, Nigeria, Mexico, Egypt and Norway could produce more. But in a tight market, Saudi Arabia might be crucial.

Kuwaiti businesses depend on expatriates

DUBAI (R) — Banking in the Gulf is already showing signs of strain because of the Iraqi takeover of Kuwait, bankers said Monday.

Many banks face defaults on Kuwaiti payments and lenders are being scared out of the system.

Bankers said the squeeze in the interbank market was particularly tight in Bahrain.

Some of the smaller Bahraini banks, branches of Kuwaiti banks, and banks with large Kuwaiti capital bases were getting desperate for funds.

"The funds are there," a Saudi-based dealer said. "It's just that nobody wants to lend them any. They are down to relying on personal relationships with institutions outside the Gulf. We hear the Japanese are not lending, and not taking money."

Some dealers said larger banks were also feeling the pinch.

"They say they are not, but then why do they keep calling me up looking for quotes every 15 minutes?" asked another Saudi bank dealer.

He said dollar interbank rates for lending to such banks were being gradually racked up.

"They call and I'll offer eight, 7 1/2 per cent. Next time I'll offer them 8 1/2, 7 1/2. Next time 8 1/2, 7 1/2," he said.

"By putting up rates, banks are saying they are not willing to deal until we see what happens. There is a degree of panic in the market," said a European bank manager in the United Arab Emirates (UAE).

Dealers in Saudi Arabia, by far the biggest Gulf economy, said there was no liquidity shortage in the kingdom and recent slowness in the economy had led to a larger-than-normal seasonal cash buildup.

Bankers were watching for responses to the crisis from the Kuwait banks whose headquarters may now be controlled by Iraq.

Bankers contacted said they had heard nothing from the National Bank of Kuwait, but some private Kuwaiti banks had started telephoning creditors to make their positions clear.

A National Bank spokesman in Bahrain declined to comment.

Bahrain's large regional offshore banking centre is particularly vulnerable to economic shocks like the Iraqi invasion because the tiny island economy has no deep depositor base from which banks can draw cash.

"It's all money market-based, so as Kuwaiti defaults start to work through we have a kind of gradual bleeding effect which could eventually cause a haemorrhage," said a Bahrain banker.

All around the Gulf, financial institutions were quoting very wide spreads on Gulf currencies for individuals, mainly buyers of dollars and sterling, to discourage withdrawals.

In the UAE, dollar bills became scarce as depositors, especially expatriates from the Indian sub-continent who set great store on cash holdings, withdrew money to shift it home.

"We have around five per cent of people wanting to break deposits, and that is rising. In the long term, that money will not come back and we were already talking about a shortage of investment funds in the Gulf," a banker said.

Bankers predicted that in the long run, foreign banks and small Gulf Arab banks would be the biggest losers in the current crisis because of their thin deposit bases.

The bigger Gulf banks, especially the national ones, act as treasurers for their governments' and major Arab companies, which deposit huge amounts of cash.

Gulf banking shows signs of strain

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Wall Street stocks plunge

NEW YORK (R) — Wall Street stocks plunged in heavy trading Monday as the crisis in the Gulf sent oil prices roaring higher, fuelling inflation fears around the world.

The Dow Jones industrial average tumbled more than 100 points in morning trading, following similar sell-offs in London and Tokyo. Declines swamped gaining shares by 7-1 on heavy volume of 80 million shares.

"We have the beginning of panic selling," said Kenneth Gerbino, who heads an investment management firm.

Traders said the selling was sparked by the Gulf conflict and concerns that higher oil prices would push up inflation while sending the economy into a recession.

By 10:45 a.m. (1445 GMT), the market had regained some of its composure. The Dow-30 was off 87.87 points, or 3.14 per cent, at 2,721.78.

But traders said Wall Street's mood would remain bearish. "It's not going to be four or five days. I think it will take a lot of time to work off the negatives in this market," said Dale Tills of Charles Schwab and Co.

"I think it's going to be a long time of trending lower," he said.

In signs of further decline, some stock index futures quickly fell their allowed limits. The fall prompted the New York Stock Exchange to kick in its restrictions on programme trading, meant to reduce market volatility.

The slide followed sharp drops in the Tokyo and London markets. Tokyo's Nikkei average tumbled 916.23 points, or 3.10 per cent, to 28,599.53, and London shares were down sharply in afternoon trading, with the Financial Times-Stock Exchange index off 78 points, or 3.4 per cent.

The uncertain situation in Iraq and Kuwait has fuelled inflation fears as oil prices have climbed, pressuring stock values worldwide.

The dollar traded sharply lower against the Deutschmark as concerns about a weak U.S. economy and increased chances for lower interest rates overshadowed nervousness about Iraq's takeover of Kuwait.

"The whole atmosphere is gloom and doom," said Ted Egger, manager of U.S. equity trading at Yamaichi International.

Turnover was light on the Tokyo stock market as few investors dared to buy.

"Trying to find issues that might rise today was like trying to find a needle in a haystack," said a broker at one of Japan's big four securities houses.

AMMAN EXCHANGE RATES					
Monday, August 6, 1990					
Central Bank official rates					
	Buy	Sell		Buy	Sell
U.S. dollar	659.0	663.0	French franc	124.0	124.7
Pound Sterling	1229.3	1236.7	Japanese yen (for 100)	439.7	442.3
Deutschmark	415.6	418.1	Dutch guilder	368.9	371.1
Swiss franc	490.4	493.3	Swedish crown	113.2	113.9
			Italian lira (for 100)	54.9	57.2
			Belgian franc (for 10)	201.7	202.9

LONDON EXCHANGE RATES			
LONDON (R) — Following are the buying and selling rates for leading world currencies and gold against the dollar at midsession on the London foreign exchange and bullion markets Monday.			
One Sterling	1.8720/30	U.S. dollar	
One U.S. dollar	1.1485/90	Canadian dollar	
	1.5755/60	Deutschmark	
	1.7750/60	Dutch guilders	
	1.3320/30	Swiss francs	
	32.38/43	Belgian francs	
	5.2825/75	French francs	
	1153/1154	Italian lire	
	149.65/75	Japanese yen	
	5.7960/8010	Swedish crowns	
	6.1175/1225	Norwegian crowns	
	6.0175/0225	Danish crowns	
One ounce of gold	380.25/381.00	U.S. dollars	

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FRANTIC

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Dureid Lahham / Madeline Tabar in KAFROUN

Performances: 3:30, 6:15, 8:30, 10:30

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Indian security forces arrest top leaders of Muslim separatists

SRINAGAR (Agencies) — Security forces on Monday arrested top leaders of a Muslim group spearheading the movement for secession of Kashmir from Hindu-majority India, officials said.

The two top leaders of the Jammu-Kashmir Liberation Front and six other members of the group were arrested during raids on suspected militant hide-outs in Srinagar, said state government officials, speaking on condition of anonymity.

Within an hour of the arrest, shopkeepers began closing shops fearing violence. Authorities imposed an indefinite curfew preventing civilian movement on the streets.

The arrests of Yasin Malik, the "commander-in-chief" of the Jammu-Kashmir Liberation Front, and his deputy are a notable victory for the security forces. Malik was arrested in April but escaped from a hospital where he was undergoing treatment for injuries sustained in his capture.

His deputy, Abdul Hamid Sheikh, was one of five militants released last year in exchange for the liberty of the kidnapped daughter of Home Minister Mufti Mohammad Sayeed.

The army was deployed in several areas of old Srinagar, Jammu and Kashmir's summer capital and heart of the eight-month-old revolt against Indian rule, as rumours spread that Malik and Sheikh had been captured.

Paramilitary forces were rushed onto the streets as shops closed and people ran around in panic.

The deaths of other leading militants in clashes with security forces have resulted in mass demonstrations that have sometimes turned violent with security forces firing on protesters.

The groups are fighting either for an independent Kashmir, including the one-third of the region controlled by Pakistan, or for union with Pakistan.

Those who have seen Malik

recently said he still had an injured jaw but was alert and active.

Security officials said on Saturday they narrowly missed capturing Sheikh when they stopped his motorbike at a roadblock. He escaped in a hail of gunfire which killed his travelling companion, another leading militant, they said.

About 1,000 people have been killed since the uprising, centred on the Kashmir valley, burst into new heights of violence in January.

Tens of thousands of Indian soldiers and paramilitary police have been drafted into the region to crush a revolt that has almost complete support in the overwhelmingly Muslim valley.

India accuses Muslim Pakistan of arming and training the militants in hopes of breaking Jammu and Kashmir, India's only Muslim-majority state, away from India.

Pakistan denies the charge, saying poor government prompted the uprising.

Ethnic strife deepens in Sri Lanka

18 Muslims hacked to death

COLOMBO (R) — Suspected Tamil Tiger rebels hacked to death 18 Sri Lankan Muslims they abducted on Sunday in a second violent attack on the religious group, military sources and Muslim leaders said Monday.

A Muslim leader said the 18 were among 40 Muslims abducted while harvesting rice in Eastern Amparai district by guerrillas of the Liberation Tigers of Tamil Eelam who are fighting for a separate homeland.

"The bodies of 18 of them were found hacked to death today (Monday)," said Waffa Farook, treasurer of the Sri Lanka Muslim Congress. "No doubt the other 22 will also be killed because the Tigers don't release any of those whom they abduct."

Last Friday night, suspected Tiger rebels burst into two mosques at Kathankudy, in neighbouring Batticaloa district, and sprayed machinegun fire at worshippers kneeling in prayer. At least 140 people died in the massacre.

A Tiger spokesman in Paris

told Reuters by telephone on Saturday the Tigers were not involved in that massacre.

Farook said a hand-written note on paper bearing the emblem of the Tiger group threatened all Muslims who did not vacate the area around Sunday's massacre site at Alindamaduvillage.

"If all Muslims don't leave this area by August 10, the fate that befell the Muslims at Kathankudy will overtake them," the note said.

Farook said Muslims held the government responsible for the massacres because no security had been provided despite repeated appeals.

There were reports that Muslims were retaliating.

On Monday, a group of about 100 Muslims shouting anti-Tamil slogans attempted to march to a Hindu temple in Colombo where Tamil worship, police said.

They assaulted and injured two Muslims standing near the temple before police dispersed the angry crowd.

In north-central province more than 50 houses belonging to Tamils in the village of Kudapokuna Mahaweli were set on fire on Sunday by unidentified attackers, military sources said.

Other official sources said they believed the houses were destroyed by Muslims.

In a statement on Sunday, the defence ministry said: "The government has taken steps to strengthen security in all Muslim areas. Security forces as well as police and home (civil) guards have been deployed in large numbers."

The statement said Muslims, who form nearly 35 per cent of the population of eastern province, have resisted attempts by the Tigers to absorb them into a single Tamil homeland which they are fighting for in the north and east.

The Tigers launched a fresh offensive against security forces in June. More than 1,850 rebels, security force members and civilians have died in the ensuing war, according to unofficial estimates.

Philippine soldiers massacre 21 civilians; general killed

COTABATO CITY, Philippines, (R) — Twenty-one Muslims killed by troops in the southern Philippines in what the military said was a clash with rebels were civilian victims of an army massacre, a government human-rights panel said.

The commission on human rights said in a report issued on Sunday that soldiers killed 21 Muslim civilians in an early morning attack in Tacurong, Sultan Kudarat province on Friday.

"It was found out that there really was no encounter between alleged Muslim rebels and military troops as earlier reported... this commission found out that the incident was plain massacre," said a report signed by the group's regional director, Ciriaco Jahido.

The findings contradicted a military report that soldiers killed 21 suspected Muslim separatist rebels in a gunbattle in Tacurong, 960 kilometres south of Manila.

Asked to comment on the report, regional army commander Brigadier-General Oswaldo Villanueva said a military investigation of the incident had not yet been completed.

But he said: "We stand pat on

our first statement there was an encounter between troops and rebels wherein civilians were caught in the crossfire."

The report by the commission, an agency created by President Corazon Aquino to investigate alleged human-rights violations, said soldiers went to the home of Kamion Mamendiala, a suspected leader of a Cattle Rustling Syndicate, to arrest him.

Mamendiala resisted, sparking a gunfight in which he and two soldiers were killed, the report said.

"For no apparent reason, troops surrounded the houses of (Mamendiala's) relatives, ordered them to come down and lie on the ground and witnesses said army troops indiscriminately fired upon the victims," the commission said.

Witnesses said the soldiers doused the houses with petrol and started fires that spread to the ground where the bodies lay, burning them beyond recognition, according to the report.

It said the victims were then dumped in two common graves nearby.

General killed

A police general was shot dead

as he waited Monday for his wife in a car, the military said.

Brig. Gen. Antonio Teves, 49, was shot in the head and chest, said a military spokesman. Teves was deputy regional director for police operations in Davao city and adviser of a military-backed anti-Communist militia group.

Teves' guard also was killed in the morning attack in front of a crowded elementary school in Davao city, 970 kilometres southeast of Manila, said Philippine constabulary spokesman Lt. Col. Cris Maralit.

Davao police investigator Carlo Almazan said two gunmen carrying pistols and grenades shot Teves pointblank and then commandeered a van and fled with Teves' submachine gun and his guard's pistol.

Almazan quoted witnesses as saying that the killers appeared to be teen-agers and that two other men served as lookouts.

Both Maralit and Almazan accused the Communist rebels of shooting Teves. Lt. Col. Efren Arayata, chief of the criminal investigation service of the Philippine constabulary, said officials also were looking at the possibility the general was shot by personal enemies.

Social Democrats urge immediate German unification

By Mark Fritz
The Associated Press

EAST BERLIN — A giant labour union and the second-largest parties in both German states said Monday East Germany can only be saved by dissolving quickly and that German unification could occur this week.

Pressure has been building for East Germany to solve its worsening economic problems by immediately dissolving itself and turning the shambles of its economy over to wealthy West Germany.

At the root of the debate is an intense political feud by parties jockeying to use unification to their political advantage in upcoming unified German elections.

Horst Ehmke, deputy chairman of the West German Social Democrats, said Monday that East Germany could vote this week on a clause in the West German constitution that would result in immediate unification.

"The economic, social and financial developments in (East Germany) are going downhill at such a speed that I would not be astonished if we had a very fast unity," he said in an interview on West German radio.

Earlier, he said that East German lawmakers could vote on unification Wednesday, when the parliament meets.

The East German Social Democrats planned to meet Monday to decide whether to press this week for a vote on unification, and decide on Tuesday whether to leave Prime Minister Lothar de Maiziere's coalition.

West German Chancellor Helmut Kohl's demand last week to move up unified German elections from Dec. 2 to Oct. 14 has prompted his chief rivals, the Social Democrats, to seek unity

even sooner.

The Social Democratic parties of both German states are closely allied. They are the leading opposition in West Germany and part of de Maiziere's broad governing coalition in East Germany.

The left-leaning Social Democrats want elections to remain in December but unity to take place now. Kohl and his conservative Christian Democrats want to tie the two together and both to take place in mid-October.

The Social Democrats want to delay the vote for a united German government in the hope that the costs of hauling out East Germany's collapsing economy will hurt the West German chancellor at the polls.

Kohl, for the same reason, wants balloting as quickly as possible, even if it means changing

West Germany's constitutional timetable for elections.

Friedrich Bohl, leader of the Christian Democrat faction in the West German Bundestag, said unity and elections must be tied together.

"Unity and common elections are two sides of the same coin," he said Monday on West German radio. "I cannot see carrying out unity without common elections."

The head of the German trade union, the largest labour association in West Germany with more than 8 million members, also pressed for immediate unity.

Labour association chief Heinz-Werner Meyer said the July 1 economic unification of the German states — when East Germany made a virtual overnight transition from socialism to a free market — happened too quickly

and will have disastrous effects.

He said that West Germany should take responsibility for advocating such a quick economic merger by following through with an immediate political consolidation.

The deputy chairman of the East German Social Democrats, Karl-August Kamilli, on Monday also called for fast unification.

It is up to East Germany to enact unification. That will be done when its parliament approves a clause in the West German constitution that will allow it to accede to its bigger neighbour.

The Social Democrats have sought to slow the process of unification since it was first proposed by Kohl early this year.

By pressing for quick unity and elections later, they can appear to embrace the process while still benefiting politically from elections in December, when the economic woes are expected to be much worse.

Kohl, meanwhile, would have to spend more West German money on East Germany right away, and then perhaps pay for it at the polls in December.

Kohl, in an interview on West German television on Sunday, sidestepped questions about whether taxes would have to be raised to pay for unification.

Right now, East German joblessness, while climbing, is being kept artificially low by a West German-financed programme to keep workers on payrolls at shortened hours and lower wages.

Without that programme, unemployment would likely be more than 10 per cent, rather than the 2.7 per cent it was estimated at last month.

Joblessness is expected to eventually reach perhaps 30 per cent or 40 per cent.



De Klerk, Mandela resume talks

By Brendan Boyle
Reuters

PRETORIA — President F.W. de Klerk and African National Congress (ANC) leader Nelson Mandela resumed talks on Monday hoping to reach an agreement that will end the 30-year-old guerrilla war against white rule in South Africa.

Their two five-member delegations made no comment to reporters before sitting down across a table in Pretoria's historic presidency guest house for the second round of "talks about talks" since February, when de Klerk freed Mandela after 27 years in jail and legalised black opposition movements.

If they agree on such issues as freedom for hundreds of political prisoners and the safe return of thousands of exiles, Mandela has said he might suspend the ANC's armed struggle.

The way would then be clear for multi-party negotiations on a post-apartheid constitution giving the 26 million voteless

blacks the same rights as the five million whites.

De Klerk aide Marius Kleyhans said the talks could be extended after dinner on Monday evening if necessary.

But the mood has been soured by police allegations last month of a Communist plot in the ANC to by-pass negotiations and seize power.

Government officials at first indicated they wanted Communist Party General Secretary Joe Slovo to be dropped from the ANC team, but he arrived in a white BMW limousine leading Mandela's convoy, and cracked jokes before the talks began.

ANC officials have been optimistic of success.

"There should be no reason why the talks should not bring finality to the removal of obstacles to negotiation," Thabo Mbeki, an ANC negotiator, told a business meeting last week.

The ANC has tied suspension of its armed campaign to wider demands for an end to state violence against its members and lifting of security

laws, such as the internal security act, which is used to detain people without charge or trial.

The ANC says police encourage black conservatives to attack its supporters, while the government says ANC-aligned groups use violence to intimidate their political opponents.

A major issue is the conflict in the Eastern Natal province, where leftist pro-ANC groups are locked in a power struggle with traditionalist supporters of Zulu chief Mangosuthu Buthelezi's Inkatha movement.

The ANC wants the government to end emergency rule in Natal as it did in the rest of the country last June, because it says security forces favour Inkatha.

This conflict, which has claimed more than 3,000 lives in three years, again erupted outside the province on Sunday when four men were killed in a fight at a workers' hostel in Kagiso, west of Johannesburg, an independent radio news report said.

The ANC ended five decades of peaceful resistance in 1961, after it was outlawed by Pretoria, and formed a military wing.

That wing, Umkhonto we Sizwe (Spear of the Nation), has killed hundreds of people in bomb and gun attacks on police and government installations and in public places.

At the first round of exploratory talks at Groote Schuur near Cape Town in May, the ANC did not relinquish its armed struggle but it pledged "a commitment to stability and to a peaceful process of negotiations."

De Klerk alleged an ANC breach of trust last month when police said they captured arms caches and computer tapes showing continued ANC military activity after May. Two senior Communists in the ANC were detained in the police swoop.

Mandela promised last week he would ensure the ANC honoured its commitment to peace, but de Klerk said he would press the matter in Monday's talks.

S. Korean police stop dissidents crossing North

SEOUL (R) — Riot police stopped a busload of South Korean dissidents trying on Monday to make a forbidden trip to North Korea to promote unification of the divided peninsula.

Hundreds of sweating riot police stood in noonday summer sun to surround the air-conditioned bus in a one-hour stand-off that ended only after the Chonmnyon dissident coalition decided to return to Seoul to stage a protest at the unification ministry.

Police escorted the bus back to the city, sirens blaring, from the barricade had set up 40 kilometres from the border crossing point at Panmunjom.

The bus, plastered with posters accusing Seoul of blocking reunification efforts, was carrying 51

Chonmnyon members who had hoped to go to the North Korean capital, Pyongyang, for a meeting to discuss an August 15 unification rally.

"It's terrible. We haven't done anything illegal and they're stopping us," Chonmnyon leader Lee Chong-Bok told reporters.

The Chonmnyon delegation wanted to meet North Korean officials and overseas Koreans to discuss a "pan-national rally" scheduled for August 15, Korean independence day.

The bus was stopped again near the ministry. Talks between police and dissidents led to a compromise in which a small group was allowed to continue onto the building to lodge a protest while the others waited.

Seoul said it would welcome a

North Korean "consolatory" delegation planning to arrive in the South on August 14 to offer sympathy to three dissidents jailed by Seoul for visiting the North.

Seoul said delegates would be allowed to meet lawyers and relatives of the prisoners but not the convicts themselves, as requested by the North Koreans. The prisoners include two clergymen and a 21-year-old woman university student.

"We see this as North Korea's acceptance of our offer to have free exchange of visits but we can't allow them to meet prisoners who were convicted of violating our law because this would not help in bettering North-South relations," a government spokesman said.

A meeting scheduled for last month in Seoul between Chonmnyon and North Koreans was scrubbed when a five-member northern delegation was prevented from crossing the heavily guarded border because of procedural wrangles.

The rally, first proposed by Chonmnyon and endorsed by both Koreas, aims to bring together all elements of the Korean community worldwide to demonstrate for the reunification of Korea, divided after World War II.

In the past month, the rival Korean governments have made a series of proposals to open temporarily the border for brief period around independence day.

Marion trial focuses attention on U.S. race relations

By W. Dale Nelson
The Associated Press

WASHINGTON — The cocaine and perjury trial of Mayor Marion Barry has focused attention on race relations in the U.S. capital, a city with a 70 per cent black population.

Barry himself admits that the trial has brought to the surface "a simmering amount of polarisation and racism that was already there." But Washington has little recent history of overt racial strife.

Some blacks agree with Bar-

ry's claim that he was the target of overzealous white prosecutors. Others feel betrayed by the mayor, who had claimed repeatedly that he didn't use drugs.

"The majority of whites are just plain annoyed and angry and just want this guy to go," D.C. councilman Jim Nathanson said before the trial began. Nathanson, who is white, represents a predominantly white district.

A U.S. district court jury began deliberating the Barry case last week.

For all the talk about racial

polarisation, Barry is the one who was often credited with cooling the tempers that erupted after the assassination of black civil rights leader Martin-Luther King Jr. in 1968.

Ten people died, 1,191 were reportedly injured and 7,650 were arrested in the city's worst riots. Washington was then 63 per cent black.

Some black leaders have suggested that the climate exists for a resurgence of racial violence in Washington if Barry is convicted. Barry himself said it will not.

"Those who would even talk about that don't represent me, don't represent what I stand for," he told reporters last week. "You obviously don't realise that we have grown as a people the last 20 years. We will not destroy that which we have worked so hard to build up."

Barry has called the case "a political lynching" and a case of "satanic, dirt-like tactics."

Jesse Jackson, perhaps the most prominent black U.S. politician, called it part of an "ugly pattern" of "white judicial leadership attacking black

political leadership."

Benjamin Hooks, executive director of the National Association for the Advancement of Coloured People, a civil rights group, voiced a similar complaint.

But the prosecutor, U.S. attorney Jay Stephens, said he believes in trying cases "regardless of who the person is or what the political priorities are."

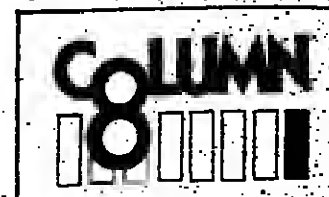
Barry, who entered politics as a street organiser in the U.S. civil rights movement, has been mayor for 12 years. He is not seeking re-election.

Although he still has a loyal following, especially among poor blacks, Barry is increasingly viewed as an embarrassment by members of Washington's large black middle class.

Longtime civil rights advocate and educator Roger Wilkins, a past political supporter of the mayor, wrote recently in the Washington Post: "Marion Barry used the elders and lied to the young. He has manipulated thousands of others with his cynical use of charges of racism to defend his malodorous personal failures."



Marion Barry



Millionaire for a day

LONDON (R) — A British teenager with just £6 (\$11) in his account tricked a bank into making him a millionaire for a day. Malik Larbe, 19, mailed a worthless cheque for £1 million (\$1.8 million) from his brother's account — which had been closed — to Lloyds bank with instructions to buy shares in a water company in central England. He received notification the shares issue was oversubscribed, along with an interim shares certificate valued at £100,000 and a refund of £900,000 (\$1.7 million) to cover the difference, prosecutors told a court recently. Larbe was arrested when he tried to cash the shares and deposit the refund cheque into his own account. The court said it was treating the case as a youthful prank and fined the baker's apprentice £300 (\$552).

The obvious singer

RIO DE JANEIRO, Brazil (AP) — Paul Simon drew crowds in the historic city of Salvador last week as he filmed a videotape for his latest record album, which features Brazilian musicians. The clip, for a song entitled "The Obvious Child," is due to be aired in September. Simon performed with the Brazilian percussion band Odudum, which plays traditional music with an Afro-Brazilian beat. Scenes were shot in the Pelourinho district of Salvador, 1,700 kilometres northeast of Rio. The historic district was a centre of the African slave trade when Salvador was Brazil's capital in colonial times. Simon told reporters he first heard Odudum play in 1988 and was "enchanted" with the distinctive rhythms. The album, due out later this year, also features Brazilian singer and composer Milton Nascimento and the group Uakti.

Nasty attempt

WOONSOCKET, Rhode Island (AP) — A man tried to kill his wife with a car bomb because he had married another woman and didn't want to face a messy divorce, police said. "It was a love triangle and rather than go through the bother of a divorce and its resulting complications, he elected to get rid of his first wife by making her go boom," Police Chief Rodney C. Remblad said. Ronald M. Hamois, 40, and his second wife, Tammy Perrin, 20, were charged with conspiring to kill Joanne Hamois, 36, said Remblad. Mrs. Hamois was not injured when one of six pipe bombs attached to the undercarriage of her car exploded one night as she was driving through Woonsocket, police said.

Kurds fear 'spy devices'

ISTANBUL (R) — Kurdish rebels are sabotaging birth control in southeastern Turkey by telling women that intra-uterine coils are spying devices, a Turkish daily has said. "The main reason family planning has failed in southeastern Turkey is the propaganda carried out by the Kurdish Workers Party (PKK)," Hurriyet newspaper quoted senior regional health official Omer Tufan as saying. "They tell local women that coils are listening devices and we have difficulty in convincing young women to use them," Tufan said. The PKK has been staging a violent campaign for independence since 1984 in the troubled southeast, a poverty stricken and densely populated area.

Soviet troops cross into Norway

OSLO (R) — Soviet troops crossed into Norway on Friday for the first time since World War II — and drew 1-1 in a soccer match with Norwegian border guards. The match, in the Norwegian village of Kirkenes eight km from the border, was the first social contact between guards from the two sides, who for the past 45 years have had orders to salute each other but never speak. "This is the high point of my military service. I hope the border will become even more open in the future," Soviet border guard Igor Gerasimov told Norway's NTB news agency. But despite the match, military ties remain frosty along the border, with Norway often accusing the Soviet Union of building up its forces on the Arctic Kola peninsula, the base of its northern fleet.